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TREASURY DEPARTMENT
BUREAU OF INTERNAL REVENUE
OFFICE OF
FEDERAL PROHIBITION COMMISSIONER

REGULATIONS 60
RELATIVE TO THE MANUFACTURE, SALE, BARTER,
TRANSPORTATION, IMPORTATION, EXPORTA-
TION, DELIVERY, FURNISHING, PUR-
CHASE, POSSESSION, AND USE OF

INTOXICATING LIQUOR

UNDER TITLE II OF THE NATIONAL
PROHIBITION ACT OF OCTOBER 28,
1919, PROVIDING FOR THE ENFORCE-
MENT OF THE EIGHTEENTH AMEND-
MENT TO THE CONSTITUTION OF
THE UNITED STATES

EDITION FEBRUARY 1, 1920



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REGULATIONS RELATIVE TO THE MANUFACTURE, SALE, BARTER, TRANSPORTATION, IMPORTATION, EXPORTATION, DELIVERY, FURNISHING, PURCHASE, POSSESSION, AND USE OF INTOXICATING LIQUOR.

ARTICLE I.

DEFINITIONS.

SECTION 1. When used in these regulations:

(a) The word "act" shall mean the act of October 28, 1919.

(b) The word "liquor" or the phrase "intoxicating liquor" shall be construed to include alcohol, brandy, whisky, rum, gin, beer, ale, porter, and wine, and in addition thereto any spirituous, vinous, malt, or fermented liquor, liquids, and compounds, whether medicated, proprietary, patented, or not, and by whatever name called, containing one-half of 1 per cent or more of alcohol by volume which are fit for use for beverage purposes.

This definition includes all preparations listed in Article XI as being fit for use as beverages or for intoxicating beverage purposes; homeopathic potencies, attenuations and dilutions which are fit for use as beverages; and all other alcoholic compounds containing one-half of 1 per cent or more of alcohol by volume which do not conform to the standards prescribed in Article XI.

Such definition does not include denatured alcohol or denatured rum; vinegar; medicinal and other alcoholic preparations which are unfit for use as beverages or for intoxicating beverage purposes according to the standards prescribed in Article XI; preserved sweet cider; dealcoholized wine; nor any beverages or liquids produced by the process by which beer, ale, porter, or wine is produced which contain less than one-half of 1 per cent of alcohol by volume, provided such beverages or liquids are made and marketed as prescribed in Article VI of these regulations and are otherwise denominated than as beer, ale, or porter.

(c) The word "person" shall mean and include natural persons, associations, copartnerships, and corporations.

(d) The word "Commissioner" shall mean the Federal Prohibition Commissioner.

(e) The word "Director" or the phrase "Federal Prohibition Director" shall mean the person having charge of the administration of Federal prohibition in any State.

(f) The word "physician" shall mean any person duly licensed to practice medicine and actively engaged in the practice of such profession in the State, Territory, or in the District of Columbia in

which licensed. This definition does not include osteopaths or chiropractors.

(g) The word "pharmacist" shall mean any person who is licensed under the laws of any State, Territory, or the District of Columbia to compound and dispense medicines prescribed by a duly licensed physician and who is actively engaged in the practice of such profession in such State, Territory, or in the District of Columbia.

(h) The term "alcohol" means that substance known as ethyl alcohol, hydrated oxide or ethyl, or spirit of wine, from whatever source or process produced, having a proof of 160° or more, and does not include the substances commonly known as whisky, brandy, rum, or gin.

(i) Words importing the plural number may include the singular; words importing the masculine gender may be applied to females, associations, copartnerships, and corporations.

(j) The initials "U. S. P." and "N. F." shall mean United States Pharmacopoeia and National Formulary, respectively.

ARTICLE II.

LAWFUL AND UNLAWFUL MANUFACTURE OF AND TRAFFIC IN INTOXICATING LIQUOR—IN GENERAL.

SEC. 2. On and after January 17, 1920, the kinds of intoxicating liquors enumerated below may be manufactured, sold, bartered, transported, imported, exported, delivered, furnished, purchased, possessed, and used for nonbeverage purposes as indicated below, but only under the conditions and requirements hereinafter provided:

(a) Distilled spirits (alcohol, whisky, rum, brandy, etc.) and wines manufactured as provided by Article IV hereof:

(1) In the manufacture of medicinal preparations in accordance with formulae prescribed by the U. S. P., N. F., or the American Institute of Homeopathy, which are unfit for use for beverage purposes; in the manufacture of patented, patent, proprietary, and other medicines that are unfit for use for beverage purposes; and in the manufacture of certain other medicinal preparations which are fit for use for beverage purposes. (See Article XI.)

2. By retail druggists or pharmacists in the compounding of medicinal preparations unfit for use for beverage purposes on physicians' prescriptions, and for dispensing as such for medicinal purposes upon physicians' prescriptions. (See Articles XII and XIII.)

3. By physicians in the practice of their profession. (See Article XII.)

4. By persons conducting hospitals and sanatoriums for medicinal, scientific, and manufacturing purposes. (See Article XII.)

5. (Potable distilled spirits only.) In manufacturing and industrial establishments for first-aid treatment. (See Article XII.)

6. (Rum only.) In the manufacture of denatured rum as provided by Regulations No. 61.

(b) Alcohol manufactured as provided by Article IV, in addition to the purposes recited in paragraph (a):

(1) In the manufacture of denatured alcohol as provided by Regulations No. 61.

(2) In the manufacture of toilet and antiseptic preparations and solutions that are unfit for use for beverage purposes. (See Article XI.)

(3) In the manufacturing of flavoring extracts and sirups that are unfit for use as beverages or for intoxicating-beverage purposes. (See Article XI.)

(4) For medication by druggists or pharmacists. (See Article XI.)

(5) For laboratory purposes and in general manufacturing and technical processes. (See Article XII.)

(6) By dentists and veterinarians in the course of their practice. (See Article XII.)

(7) (Tax-free alcohol.) By the United States or any governmental agency thereof, or by the several States and Territories or any municipal subdivision thereof or by the District of Columbia, or for the use of any scientific university or college of learning, any laboratory for use exclusively in scientific research, or for use in any hospital or sanatorium. (See Regulations No. 61.)

(c) Wines manufactured as provided by Article IV, in addition to the purposes enumerated in paragraph (a):

(1) For conversion into beverages containing less than one-half of one per centum of alcohol by volume, as provided by Article VI.

(2) For sacramental purposes or like religious rites, as provided in Article VII.

(d) Intoxicating liquor, such as beer, ale, porter, or wine, produced as provided in Article VI:

(1) In the manufacture of beverages containing less than one-half of one per centum of alcohol by volume under the procedure outlined in Article VI: *Provided, however*, that intoxicating liquors produced for this purpose may not be exported.

(e) Alcoholic medicinal preparations, fit for use as beverages, manufactured as provided in Article XI.

(1) In the manufacture of other alcoholic medicinal preparations which are unfit for beverage purposes according to the standards prescribed in Article XI.

(2) By retail druggists or pharmacists in the compounding of medicinal preparations unfit for use as beverages on physicians' certificates and for dispensing as such for medicinal purposes upon physicians' prescriptions. (See Arts. XII and XIII.)

(3) By persons conducting hospitals and sanatoriums, for medicinal purposes. (See Art. XII.)

(4) By physicians for administering to patients in the practice of their profession. (See Art. XII.)

(f) Cider and other intoxicating liquors specified in Article V.

(1) In the production of vinegar as provided in Article V.

SEC. 3. Intoxicating liquor may be possessed in the private dwelling of the owner for beverage consumption, and, upon a change in the

location of such dwelling, may be transported to the new location thereof under the conditions prescribed in Articles XV and XVI.

SEC. 4. On and after January 17, 1920, intoxicating liquor may not be manufactured, sold, bartered, transported, imported, exported, delivered, furnished, purchased, possessed, or used for any other purposes or by any other persons than specifically authorized herein, except for such nonbeverage purposes for which the commissioner may in his discretion issue permits.

SEC. 5. Warehouse certificates covering distilled spirits in Government bonded warehouses may be sold and purchased without the necessity of obtaining permits under these regulations and without involving the seller in special tax liability as liquor dealer under the internal-revenue laws. Ownership of such certificates confers the right of possession in Government bonded warehouses of the distilled spirits covered thereby, but does not convey the right to remove such distilled spirits from bond except for nonbeverage purposes under the procedure prescribed herein.

ARTICLE III.

PROCEDURE FOR FILING APPLICATIONS AND OBTAINING PERMITS FOR AUTHORIZED ACTS.

SEC. 6. All persons desiring to manufacture, sell, barter, transport, import, export, deliver, furnish, prescribe, purchase, possess or use intoxicating liquor for the nonbeverage purposes herein authorized must procure permits therefor in the manner hereinafter prescribed, except that no permit is required to be obtained under these regulations by a person operating an industrial alcohol plant or a person using liquor in the manufacture of denatured alcohol or rum who has obtained permit under Regulations No. 61; by persons procuring liquor for medicinal purposes upon prescription of physicians holding permits to prescribe; by rabbis, ministers of the gospel, priests, or officials duly authorized for the purpose by a church or congregation, to procure its use or furnish wines for sacramental purposes or like religious rites; by persons to whom wines are furnished by such rabbis, ministers of the gospel, priests, or officials for sacramental purposes or like religious rites; or by persons owning warehouse certificates to cover possession of the distilled spirits covered thereby.

SEC. 7. Except as to the restrictions and limitations imposed by these regulations or other regulations issued by the Commissioner of Internal Revenue or the Federal Prohibition Commissioner not inconsistent herewith:

All permits to manufacture intoxicating liquor confer the right to sell, barter, deliver, furnish, and possess the liquor manufactured under authority of such permits.

Permits to sell, use, import, or export liquor also confer the right to procure liquor upon furnishing permits to purchase and to possess such liquor for the purposes authorized in the permits.

Permits to sell intoxicating liquor also confer the right to barter, furnish, or deliver liquor, with or without sale, to persons presenting permits to purchase.

Permits to transport intoxicating liquor confer the right to possess and deliver the liquor transported or to be transported.

Permits to purchase intoxicating liquor convey the right to procure intoxicating liquor as provided in Article VIII.

Permits to prescribe intoxicating liquor do not confer authority other than to prescribe.

Permits to sell may be combined with permits to import, export, or use.

SEC. 8. Persons desiring to procure any permit required by these regulations, other than permits to purchase, must submit application for permit, form 1404, in triplicate, clearly setting forth all the data required by the regulations dealing with the particular class or classes into which they fall. Form 1404, supplemental, must be attached in case of application for permit to use intoxicating liquor in the manufacture of certain preparations as provided in Article XI. All three copies must be signed by the applicant, the original being sworn to before a person authorized to administer oaths. All three copies must then be forwarded to the Director of the State in which the place of business of the applicant is located.

(a) After application is filed for permit to transport or prescribe intoxicating liquor, the Director is authorized to issue permit to the applicant if, after examination of the qualifications of such applicant, he believes that such permit should be granted. Such permits will be issued in triplicate on appropriate form 1405, and a serial number noted on each copy of the permit and application. The Director will also note on each copy of the application his approval thereof. The original copy of the application and one copy of the permit will then be forwarded to the Commissioner, and one copy of each will be forwarded to the applicant, the remaining copy of each to be retained in the files of the Director.

(b) In any case where the Director is in doubt concerning the propriety of issuing a permit to transport or prescribe he will forward the original copy of the application to the Commissioner with a statement of the facts, and the Commissioner will return said original application with instructions as to the proper action to be taken.

(c) In all cases where the application for permit is denied a copy of such application will be returned to the applicant with the Director's disapproval noted thereon. The original copy will be forwarded to the Commissioner with a statement of the Director's reason for disapproval, except in cases where such statement already is on file with the Commissioner. The other copy, with proper notation thereon, should be retained in the Director's files.

SEC. 9. Where application is filed for any other permit required by these regulations, the Director, after carefully examining the qualifications of the applicant, will note his approval or disapproval in the appropriate space on each copy of the application and will forward all three copies to the Commissioner, and if any special circumstances exist will attach to the application and transmit to the Commissioner therewith a letter fully setting forth such circumstances. After examining the application and data forwarded therewith the Commissioner, after noting his approval or disapproval on each copy of the application, will return one copy to the Director and forward one copy to the applicant. If the application or any part thereof is approved by the Commissioner, it will be given a proper serial number and the Commissioner will issue a permit in triplicate on the appropriate Form 1405 for the act or acts approved, noting such serial number on each copy thereof. One copy of the permit will be forwarded to the Director and one copy to the applicant. The original copy of the application and one copy of the permit will be filed by the Commissioner.

SEC. 10. The Director should make a thorough examination and investigation into every application before taking any action thereon and should refuse to approve application or to issue permit where he believes because of the circumstances of the case or the character of the applicant that the privileges conferred by the permit applied for will be abused.

SEC. 11. The full names of individuals must be signed to every application. In case of a copartnership the firm name must be written, followed by the signature of the partner authorized to sign for the firm. The names of all members of the copartnership must appear in the application. In case of a corporation the corporate name must be written, followed by the signature and title of the officer duly authorized to sign for the corporation, together with the impression of the corporate seal, if any. Applications which do not contain all the information called for or which are not executed in the manner required by these regulations will be returned without approval for proper execution.

SEC. 12. Serial numbers will be assigned for each State and to each of the following classes of permits, beginning in each State and in each class with No. 1. All serial numbers on permits will be prefaced by the recognized abbreviations for the name of the State in which the permittee is located, and by a letter, as set forth below, indicating the class of permit:

Permits to manufacture will be prefaced by the letter A, as A-1.

Permits to sell will be prefaced by the letter B, as B-1.

Permits to transport will be prefaced by the letter C, as C-1.

Permits to import and use will be prefaced by the letter D, as D-1.

Permits to import and sell will be prefaced by the letter E, as E-1.

Permits to export will be prefaced by the letter F, as F-1.

Permits to export and sell will be prefaced by the letter G, as G-1.

Permits to use will be prefaced by the letter H, as H-1.

Permits to use and sell will be prefaced by the letter I, as I-1.

Permits to prescribe will be prefaced by the letter J, as J-1.

Permits to manufacture vinegar and to produce and procure intoxicating liquor for conversion into same will be prefaced by the letter K, as K-1.

Permits to operate a dealcoholizing plant will be prefaced by the letter L, as L-1.

Permits to sell flavoring extracts, sirups, or beverages containing less than one-half of 1 per cent of alcohol by volume, in which the same are used as an ingredient, will be prefaced by the letter M, as M-1.

Permits to procure alcoholic preparations mentioned in Article XVII in quantities greater than the amount indicated in such article will be prefaced by the letter N, as N-1.

SEC. 13. Every permit granted under these regulations, together with copy of the application therefor, must be conveniently and permanently filed by the permittee, so as to be readily accessible to examining officers at any reasonable hour.

(a) Copies of permits required to be kept by the director, together with copies of the applications upon which issued and any other papers pertaining thereto, must be filed by him in numerical order in separate files, according to the class in which such permits fall. Applications for permits not approved, together with any relevant papers, must be filed alphabetically in separate classes, as above.

(b) Each Director should also keep on Form 1411, alphabetically arranged, a current card index of all permittees located in the State, covering all permits issued by the Commissioner or by him except permits to purchase, a separate file to be kept for each class of permits, as indicated above; and where a single permit has been issued for more than one class a separate card should be made covering each class. Such card should show the name and address of the permittee, number of the permit issued to him and date of issuance thereof, the acts authorized by such permit, and the penal sum of the bond filed, if any. This file shall be open to the public for inspection at any reasonable hour.

Where any permit is revoked, the card or cards covering same shall be transferred to a closed file similarly kept, which file will not be open for public inspection.

SEC. 14. Where the same person operates several places of business, for which he desires to obtain permits, a separate application must be filed and a separate permit procured covering each place of business, but only one bond need be filed covering all such places of business operated by the same person within any one State.

(a) Where any person holding a permit desires to remove his place of business to an address other than that indicated on the permit, he may, upon surrendering his copy of application and per-

mit to the Director, have the same amended to show such change, and may then conduct at such new location the acts authorized by his permit. The Director in such case will notify the Commissioner of the change of address.

(b) Where any person who holds a permit dies his wife or child or executors or administrators or other legal representatives may operate under such permit, provided the application and permit is surrendered to the director and amended to show the name of such person. In the same manner where any person is appointed to act in a fiduciary capacity for any permittee, copy of the application and permit may be surrendered to the director and amended by him to show the name of such person and the permit will then authorize such person acting in his fiduciary capacity to conduct the acts authorized thereby at the address stipulated therein.

(c) In all such cases of change of place of business or death of permittee or authorization to a person acting in a fiduciary capacity, the assent of the surety on the bond of the permittee should be obtained.

(d) Upon amending any copies of applications and permits as above, the director will make like modifications on the copies in his file, and will notify the commissioner thereof.

SEC. 15. Every permit will clearly and specifically designate and limit the acts that are permitted and the time when and the place where such acts may be permitted. No permit shall be issued to any person who within one year prior to the application shall have violated the terms of any permit issued under these regulations, or any law of the United States, or of any State regulating the traffic in intoxicating liquor. All permits issued hereunder are nontransferable. Any such permit may be revoked in whole or in part by the commissioner at any time, if it appears after proper hearing that the terms thereof have not been complied with. In the event of refusal by the commissioner to grant or renew a permit, or if any permit is revoked the applicant or permittee may have the action of the commissioner reviewed by appropriate proceedings in a court of equity.

SEC. 16. In case permit has been received to use intoxicating liquor for nonbeverage purposes and the applicant desires to manufacture certain preparations which are not covered by the original permit, he should make application for supplemental permit in the same manner as application was made for the original permit, in which event all three copies of the application should be marked "Supplemental." Upon receipt of such supplemental application from the Director, the Commissioner will note thereon whether he approves the same, and will then return copies thereof to the Director and to the applicant as hereinbefore provided, which copies must be filed with the copies

of the original application. If the supplemental application is approved, permission to use intoxicating liquor for the purposes stated therein will then be covered by the original permit, and a new permit need not be issued.

SEC. 17. All permits issued prior to January 17, 1920, must be renewed at such time as the Commissioner will designate. Directors will, from time to time, be called upon to require the owners of permits issued prior to such date to file application on Form 1404 for new permit in the manner hereinbefore provided, which applications should be forwarded to the Commissioner when approved by the Director. Holders of permits issued prior to January 17, 1920, may continue to operate under such permits until their new applications are acted upon. In case of the failure of the permittee to file application when called upon by the Director, the permit issued to him prior to January 17, 1920, shall be automatically revoked.

SEC. 18. All permits provided by these regulations issued prior to August 31 of any year will expire on December 31 of that year, except permits to purchase, and all such permits issued from September 1 to December 31 of any year will expire on December 31 of the following year unless otherwise provided. On or before October 1 of each year all holders of permits, except permits to purchase, issued prior to August 31 of that year must make formal application on Form 1404 for renewal of such permits. Such applications for renewal will be filled out in triplicate and all three copies signed by the applicant, the original being under oath. All three copies must then be forwarded to the Director, who, after examining the qualifications of the applicant, is authorized to issue new permit bearing the same serial number and containing the same wording, with the exception of the dates to be noted thereon, as the permit previously issued.

(a) In acting upon any application for new permit as above the Director should be guided by the instructions contained in section 8 (a) relative to the issuance by him of permits to transport and prescribe.

(b) No new bond need accompany applications for new permits if a satisfactory bond has already been filed and approved.

SEC. 19. In case the Commissioner finds it necessary to revoke a permit in so far as it pertains to the use of intoxicating liquor in the manufacture of certain preparations, he will notify the Director to strike out the names of such preparations on the copy of the application on file in the Director's office. The Director will then call upon the applicant to forward his copy of the application for like modification, after which the director will return such copy to the permittee. The permit held by such person will then cover the use of intoxicating liquor only in such preparations as have not been stricken from such application.

BONDS.

SEC. 20. All persons desiring to obtain permits provided by these regulations, except as provided below, must at or before the time of filing application therefor, file with the Director a bond in duplicate on Form 1408 or Form 1409 to insure compliance with the provisions of this act and of these regulations as well as to cover any taxes and penalties which may be imposed under the internal-revenue laws. Unless otherwise required by the Commissioner, no bonds need be filed by persons applying for the following permits:

1. Permits to prescribe, export, import, or transport intoxicating liquor.
2. Permits to use intoxicating liquor by physicians, dentists, or veterinarians in the course of their practice.
3. Permits to use intoxicating liquor in industrial or other establishments for administering to employees in emergency cases.
4. Permits to use intoxicating liquor in hospitals or sanitariums (excepting such hospitals or sanitariums as are engaged in the treatment of persons suffering from alcoholism).
5. Permits to procure alcoholic preparations mentioned in Article XVII in quantities greater than specified in such article.

(a) Except where otherwise provided, the basis of the penal sum of such bond will be as follows:

\$4.20 per proof gallon on distilled spirits and \$100 for each 200 gallons, or fractional part thereof, on wine, malt liquor, cider or other liquor, manufactured or received during any quarterly period of the calendar year plus the quantity on hand at the end of the preceding quarterly period. In no case shall the penal sum of any bond be less than \$1,000 nor more than \$100,000.

(b) A single bond on Form 1408 or Form 1409 may be given by a person conducting a distillery, brewery, rectifying house, winery, or bonded warehouse or storeroom, which bond will cover taxes on liquor manufactured, received, or possessed, and compliance with the terms of the permits and the requirements of the act and these regulations. The penal sum of such bond shall conform to the requirements of these regulations, except that, where a higher penal sum is specified by other laws and regulations requiring the filing of such bond, the penal sum thereof must be that required by such other laws or regulations, but in no case shall the penal sum of such bond exceed \$100,000. In such event the bond should be forwarded to the Collector of Internal Revenue who will be guided with respect thereto by instructions herein to Directors.

(c) Where holders of permits to use or sell nonbeverage spirits or wines have given bond as provided in Treasury Decision 2940 and Treasury Decision 2946, and such bonds are in sufficient penal sum, no new bonds need be furnished until such persons are called upon by the directors to make applications for new permits, as provided in

section 17, when they will be required to file new bonds on Form 1408 or Form 1409.

(d) When bond is filed with the Director and he finds the same sufficient in all respects he shall note on each copy his recommendation for approval. The Director will forward the original, with proper documentary stamps affixed thereto, to the Commissioner and retain the remaining copy, with proper indorsement as to documentary stamps affixed to the original, in his files. The copy retained by the Director should be filed by him with the application for permit. The Director will be notified by the Commissioner in the event that such bond is not acceptable.

(e) The Commissioner will examine all bonds received by him from Collectors of Internal Revenue and Directors, and if he finds the same sufficient in all respects will indorse his approval thereon. He will also note on such bonds the serial numbers of permits issued by him.

SEC. 21. If bond, Form 1408, is used, it must have a corporate surety or two personal sureties who have qualified on Internal Revenue Form 33 and must be approved by the Director. If bond, Form 1409, is used, United States Government bonds in a face amount equal to the penal sum of the bond offered must be duly pledged and deposited with the Director as collateral security.

(a) The full names of individual principals and sureties and the residence of each must be legibly written (preferably typed) in the heading of the bond. In the case of a copartnership, the trade name of the firm, together with the names of all the members thereof, must be given. In the case of a corporate principal, the bond must give the name of the State under which organized and the location of the principal office or place of business of such corporation.

(b) The full names of the individuals must be signed to the bond written exactly as in the heading thereof. In the case of a copartnership the firm name must be signed by a partner authorized to do so, followed by the signature of such partner. In case of a corporation the corporate name must be written, followed by signature and title of the officer duly authorized to sign for the corporation, together with the impression of the corporate seal, if any.

(c) The signature of each principal or surety must be made under seal and have two witnesses who must sign their names as such. Witnesses are not, however, required for the attestations of officers signing bonds in behalf of corporations, in cases where the seal of the corporation is affixed.

(d) Bonds in which alterations, insertions, or erasures occur must have indorsed upon them a statement by an officer of the surety company, or by the personal sureties thereto, before execution, that such alterations, insertions, or erasures were made prior to the exe-

cution of the bond. If such alterations, insertions, or erasures were made after the bonds were executed the formal consent of all the parties thereto must be written in the bond as provided by Treasury Decision 1000.

(e) All bonds will remain in force and effect for three years from the date of execution thereof.

SEC. 22. Whenever the quantity of intoxicating liquor or other preparations debited against the bond is such that the existing penal sum is not sufficient a new bond must be furnished in sufficient sum to cover all liability.

(a) A new bond will be required in case of the death or insolvency of any surety on any bond, or in case of removal of a personal surety, and may be required in any other contingency in the discretion of the Commissioner.

SEC. 23. In case Liberty or other bonds of the United States are deposited as security, the principal must execute a bond and agreement on Form 1409. A full description of the collateral must be stated in the bond. The agreement which is made a part of the bond authorizes the Director to sell such collateral in the case of any default in the observance of any of the conditions or stipulations of such penal bond. The attention of Directors is invited to the provisions of Treasury Department Circular No. 154, dated June 30, 1919, prescribing general regulations as to the acceptance of United States bonds as security in lieu of surety or sureties, which are applicable to deposits of United States bonds hereunder except as otherwise provided by the special provisions hereof.

(a) Coupon bonds received hereunder or coupon bonds substituted for other bonds shall be deposited by the Director with the Treasurer of the United States, Washington, D. C., or with the Federal Reserve Bank of the district in which his office is located, or, in special cases, with a branch of such Federal Reserve Bank. The Treasurer of the United States or the Federal Reserve Bank or branch thereof shall issue triplicate receipts of such bonds, describing the bonds so deposited. On receipt of such receipts the Director will forward one to the taxpayer and another to the Commissioner. Registered bonds received hereunder or substituted for other bonds shall be assigned to the Commissioner in accordance with the regulations of the Treasury Department governing assignments of United States registered bonds, and forwarded to him direct by registered mail uninsured. Coupon bonds shall be forwarded by registered mail insured. In order to effect insurance the Director shall, on prescribed insurance form, notify the Secretary of the Treasury, Division of Public Moneys, of the shipment made. Any expense incurred by the Director for registering or insuring such mail shall be paid out of the appropriation for enforcing national prohibition.

(b) In this connection it should be clearly stated on such notice that the shipment consists of Liberty bonds or other United States bonds received as collateral on bonds required under these regulations, and full description of the bonds should be given. No indication of the contents should be placed on the outside of a registered package.

(c) When such bonds are deposited as security the Director will give to the depositor a receipt in substantially the following form:

Received _____ of _____ on _____, 19____,
as security for obligation arising under bond (Form 1409) executed to the
United States on _____, 19____, in the sum of \$_____, covering
nonbeverage intoxicating liquor, the following bonds: _____,
which are to be returned to the above-mentioned _____ upon satis-
faction of the above-mentioned bond (Form 1409).

Director.

(d) Bonds of the United States deposited as security shall be returned to the depositor as soon as the bond is canceled or when other sufficient surety is furnished.

SEC. 24.—In any case where the holder of a permit surrenders the same to the Director and there are no outstanding charges against his bond the Director should promptly notify the Commissioner, and, on notice from the Commissioner that the bond is canceled, should cancel the copy of the bond in his files and notify the surety of such cancellation.

(a) Where a permit has been revoked and the conditions of the bond have been observed and there are no outstanding charges against the same the bond will be canceled by the Commissioner and the Director notified thereof, after which he should cancel the copy in his files and notify the surety as above.

(b) Bonds will not be canceled unless the permits are returned to the Directors, where such action is practicable and satisfactory evidence is presented of the disposition of the liquor, or other preparations possessed by the permittee. Bonds will be canceled only as to future liability, and the cancellation thereof will not affect any liabilities or charges arising or incurred prior to such cancellation.

ARTICLE IV.

MANUFACTURE OF DISTILLED SPIRITS AND WINES.

SEC. 25. Distilled Spirits.—Alcohol may be manufactured for the purposes herein authorized on the premises of any industrial alcohol plant established under the provisions of Title III of the National Prohibition Act, in accordance with the procedure outlined in Regulations No. 61, without the necessity of obtaining further permit under these regulations.

(a) Whisky, brandy, rum, etc., may be manufactured for such purposes on the premises of any duly registered distillery established under existing laws and regulations upon obtaining permit as required in Article III hereof.

(b) Distilled spirits produced in such industrial alcohol plants or registered distilleries may be tax paid at the rate of \$2.20 per proof gallon and removed from bond for delivery only in quantities of not less than 5 wine gallons from industrial alcohol plants and not less than 10 wine gallons from distilleries to persons who have obtained permits entitling them to procure the same for the purposes herein authorized upon the receipt of permits to purchase on Form 1410. Such distilled spirits may also be exported under bond free of tax for nonbeverage purposes in accordance with the provisions of Article XIV, and alcohol may be withdrawn free of tax for other purposes from industrial alcohol plants as specifically set forth in Regulations No. 61.

(c) All distilled spirits produced prior to January 17, 1920, removed from registered distilleries must have affixed to the containers thereof at the time of removal, and all spirits produced in such distilleries on and after such date must have affixed to the containers immediately upon being manufactured a printed label bearing the information set forth below:

- (1) Name of manufacturer.
- (2) Serial number of permit authorizing manufacture.
- (3) Date of manufacture.
- (4) Kind of intoxicating liquor contained in the package.
- (5) Quantity in wine gallons and proof gallons (except where the same appears on the containers in some other manner).

These labels must conform to the requirements of and be affixed in the manner provided in Article XVIII.

SEC. 26. Bottled-in-Bond Whisky and Brandy for Medicinal Purposes.—Whisky and brandy produced in a registered distillery upon being tax paid at the rate of \$2.20 per proof gallon may be bottled in bond for domestic medicinal purposes in a distillery bottling house or bottling room in a special bonded warehouse. Such bottled-in-bond whisky and brandy after being labeled as hereinafter provided must be removed from the distillery premises and may be deposited in the distillery free warehouse. Deliveries of such spirits may be made only in wholesale quantities on receipt of permits to purchase on Form 1410 from persons operating hospitals, sanatoriums, or manufacturing and industrial establishments, physicians who hold permits to purchase same for medicinal purposes, or wholesale and retail druggists or pharmacists, or other persons holding permits to sell the same.

SECTION 27. After spirits have been bottled in bond and before the same are placed in cases there must be carefully and securely affixed to each bottle, in addition to the caution notice and strip stamp required by the bottling in bond regulations, a label proportionate in size to the size of the bottle, to be provided by the distiller, which label must have printed thereon in letters easily legible the following data:

- (1) Name of manufacturer.
- (2) Number of permit authorizing such manufacture.
- (3) Kind, quantity, and proof of contents.
- (4) Date of manufacture.
- (5) The following statement:

For medicinal purposes only. Sale or use for other purposes will cause heavy penalties to be inflicted.

(a) When a case is filled with bottles bearing the prescribed label and before removal thereof from bonded warehouse, a label bearing the above data must be pasted on the end of each case.

SEC. 28. Such bottled-in-bond spirits will be taken up on the distillery records as required in the case of all other distilled spirits. Record 52 and Supplemental Record 52 must also be kept, showing all transactions in such bottled-in-bond spirits at the warehouse. A separate Form 59 should be used for the return of gauge of packages withdrawn from distillery warehouses at the \$2.20 rate for medicinal purposes, and separate Form A-86 should be used for such withdrawals of brandy from special bonded warehouses. Notation should be made on the face of Forms 59 and A-86 to the effect that the spirits or brandy withdrawn are tax paid at the \$2.20 rate for medicinal purposes. Separate entry should be made in red ink, on Forms 86, 87, and A-87, indicating the withdrawals of whisky or brandy to be bottled in bond for this purpose. Entries should be made at a special line in the collector's bonded spirits account, Form 94-A, part 1, and bonded-brandy account, Form A-94, entitled: "Tax paid for bottling in bond at the \$2.20 rate for medicinal purposes." In Form 409, red-ink entry should be made of all whisky or brandy bottled for this purpose. The quantity bottled at a bottling warehouse at the \$2.20 rate for medicinal purposes should also be stated at a separate line in Form 419, the collector's bottled-in-bond account.

SEC. 29. Whisky and brandy may also be bottled in bond for exportation for medicinal purposes under the procedure outlined in Internal Revenue Regulations Nos. 23 and 29, covering bottling in bond for exportation, and may then be exported as provided in Article XIV. Containers of whisky and brandy bottled in bond for exportation for medicinal purposes must be labeled in the manner

provided herein for containers of such spirits bottled in bond for domestic medicinal purposes.

(a) Whisky and brandy withdrawn for bottling in bond for domestic medicinal purposes can not be permitted in the bottling room of any bonded warehouse at the same time that whisky and brandy are contained therein for bottling in bond for exportation.

SEC. 30. Wines.—Wines for sacramental or other purposes herein authorized may be produced on bonded winery premises established under existing regulations on condition that the proprietor thereof file application on Form 1404, as prescribed in Article III, and stating therein the purpose for which the wine is to be sold or removed.

SEC. 31. Wines so produced when removed from bonded winery or bonded storeroom must be tax paid at the rates provided by law, except when withdrawn free of tax for the following purposes:

- (1) For export for nonbeverage purposes under the procedure set forth in Article XIV.
- (2) For shipment in bond to other bonded wineries or bonded storerooms after filing Form 703.
- (3) For shipment to a distillery or to a dealcoholizing plant for the purpose of having the alcohol extracted, as provided in Article VI.

(a) No wine may be sold or removed, either taxpaid or taxfree, except in quantities of five wine gallons or more and only upon receipt of permits to purchase, Form 1410, as provided in Article VIII, except that wines may be delivered in such quantities for sacramental purposes or like religious rites, upon receipt of application approved as provided in Article VII.

(b) Wines may be converted into vinegar on bonded winery premises without the payment of tax, and the product removed therefrom as provided in section 40, paragraph (a), without the necessity of receiving permits to purchase.

SEC. 32. All wines produced prior to January 17, 1920, before removal from bonded wineries or bonded storerooms must have affixed to the containers thereof, and all wines produced on and after such date must have affixed to the containers thereof immediately upon being manufactured, a printed label to be provided by the wine-maker bearing the following data:

- (1) Name of manufacturer.
- (2) Serial number of permit authorizing manufacture.
- (3) Date of manufacture.
- (4) Kind of intoxicating liquor contained therein.
- (5) Quantity in wine gallons and alcoholic content.

(a) The instructions contained in Article XVIII will apply to these labels.

SEC. 33. When wine is removed from the winery or bonded store-room, each package must be given a serial number and separate entry made on Form 702 for each shipment, showing:

- (1) The date shipped.
- (2) Name and address of consignee.
- (3) The quantity and alcoholic content of the wine.
- (4) The serial numbers of the packages contained in the shipment.

ARTICLE V.

MANUFACTURE OF CIDER AND VINEGAR.

SEC. 34. All persons desiring to manufacture cider or other intoxicating liquors specified in this article for conversion into vinegar, or to use such cider or intoxicating liquors in the manufacture of vinegar, should file application on Form 1404 prescribed in Article III, setting forth in such application the exact acts for which they desire authorization. After approval, a permit will be issued authorizing the acts stipulated.

SEC. 35. Cider, manufactured by persons holding permits as above, may be used by them in the manufacture of vinegar or may be sold or furnished by them in quantities of 5 wine gallons or more to other persons holding permits to use cider in the manufacture of vinegar upon receipt of permits to purchase, Form 1410, and may not be otherwise disposed of.

SEC. 36. Sweet cider containing less than one-half of 1 per cent of alcohol by volume may be manufactured and sold without the necessity of obtaining permit, provided such product is put up and marketed in sterile closed containers or is treated by the addition of benzoate of soda, or other substance which will prevent fermentation, in such proportion as to insure the alcoholic content remaining below one-half of 1 per cent of alcohol by volume. The responsibility for keeping the alcoholic content below such percentage rests upon the manufacturer, and in any case where cider is found upon the market containing alcohol in excess of the allowed percentage the manufacturer will be presumed to have manufactured and sold an intoxicating liquor.

SEC. 37. Cider containing less than one-half of 1 per cent of alcohol by volume may be sold by the producer to persons holding permits to manufacture vinegar. If such cider, however, contains one-half of 1 per cent or more of alcohol by volume when removed for conversion into vinegar, it will be necessary that the persons producing same hold permits to manufacture cider as above provided and furnish same only upon receipt of permits to purchase.

SEC. 38. In the manufacture of cider sugar or other fermentable substances should under no circumstances be added to the apple juice for the purpose of increasing the alcoholic content, inasmuch as such

practice is held to constitute the production of a mash fit for distillation within the prohibition of section 3282, Revised Statutes.

SEC. 39. The intoxicating liquors specified below may be manufactured and used in the manufacture of vinegar by persons who have obtained permits therefor.

(a) Such persons may operate vinegar factories for the production of vinegar by the evaporation process under the provisions of section 3282, Revised Statutes, as amended, under the procedure outlined in Internal Revenue Regulations No. 7, pages 225-229. Vinegar factories using such process are not permitted within 600 feet of any registered distillery, industrial alcohol plant, or rectifying house.

(b) Persons obtaining permits as above may produce vinegar by the manufacture of a malt beer for direct oxidation into vinegar without evaporation process and without generators or oxidizing.

(c) Persons holding permits for such purposes may manufacture vinegar from cider produced by them or may procure cider in quantities of 5 wine gallons or more from other persons authorized to manufacture the same or may obtain tax-paid wines from persons conducting bonded wineries upon furnishing permit to purchase, Form 1410, for use in the manufacture of vinegar. Cider containing less than one-half of 1 per cent of alcohol by volume may be procured for use in the manufacture of vinegar from persons manufacturing same in their own homes without the necessity of furnishing permit to purchase, Form 1410.

SEC. 40. Vinegar may be produced from alcohol lawfully denatured by the oxidation of such alcohol in oxidizing or generating plants without the necessity of obtaining permits under this article.

(a) Persons operating bonded wineries may convert wines into vinegar upon such premises without obtaining permit for such purpose, provided that upon removal from such premises the product contains $1\frac{1}{2}$ per cent or more of acetic acid and is treated as vinegar and not sold or used as wine. Before removing such product from the bonded premises application should be made to the Collector on Form 1415 for permission to make such removal, accompanied by a signed copy of the chemical analysis of the material, showing the percentage of acetic acid contained therein. Such vinegar may be removed from the winery free of tax and proper credit taken on the records kept at the winery.

SEC. 41. Persons manufacturing cider or other intoxicating liquors under this article must keep a record of the amount manufactured as well as the date of manufacture, and must show upon such record the disposition of all liquor manufactured by them.

SEC. 42. Containers of all cider containing one-half of 1 per cent or more of alcohol by volume, and other intoxicating liquor manu-

factured for sale as such under this article must be labeled immediately upon manufacture to show the following:

- (1) Name of manufacturer.
- (2) Date of manufacture.
- (3) Serial number of permit authorizing manufacture.
- (4) Kind and quantity of contents.

The instructions in Article XVIII will apply to such labels.

ARTICLE VI.

MANUFACTURE OF BEVERAGES CONTAINING LESS THAN ONE-HALF OF 1 PER CENT OF ALCOHOL BY VOLUME FROM INTOXICATING LIQUOR OR BY ARRESTED FERMENTATION.

SEC. 43. In this article the word "beverage" will mean a beverage containing less than one-half of 1 per cent of alcohol by volume. The word "liquid" will mean a liquid or liquor containing one-half of 1 per cent or more of alcohol by volume.

SEC. 44. Persons producing beverages by the process by which beer, ale, porter, or wine is produced, or from liquids such as beer, ale, porter, or wine, must obtain permit, as provided herein, and such beverages may be produced only on the premises of a dealcoholizing plant, except that beverages produced from liquids such as beer, ale, porter, or wine may be produced on the premises of a distillery or industrial alcohol plant upon obtaining permits, as prescribed in this article.

SEC. 45. Dealcoholizing Plants.—The premises where beverages are produced by the process by which beer, ale, porter, or wine is produced, or from liquids such as beer, ale, porter, or wine, by *wasting the alcohol* are hereby designated as *dealcoholizing plants* and will not be regarded as distilleries, industrial alcohol plants, wineries, or breweries. Persons desiring to establish dealcoholizing plants must file bond, Form 1408, or Form 1409, and application for permit, Form 1404, in accordance with Article III. The penal sum of the bond will be computed at the rate of \$100 for each 200 gallons or fractional part of liquids produced or received during any one month plus the quantity on hand at the beginning of the month, or in a case where fermentation is arrested and the beverage at no time contains one-half of 1 per cent or more of alcohol by volume, the penal sum of the bond will be computed as above on the quantity of such beverages produced, received and on hand, provided that in no case shall the penal sum be less than \$1,000 nor more than \$100,000.

(a) After permit has been received beverages may be produced by the process by which beer, ale, porter, or wine is produced, where the alcoholic content at no time during the process of manufacture equals or exceeds one-half of 1 per cent by volume, such as cereal beverages produced by arrested fermentation. Such beverages may be pro-

duced only at dealcoholizing plants. This does not apply to unfermented fruit juices.

(b) The proprietor of a dealcoholizing plant may, in the manufacture of beverages, develop liquids such as beer, ale, porter, and wine containing one-half of 1 per cent or more of alcohol by volume, by the usual methods of fermentation or otherwise, except fortification, as provided in his permit. Such beverages must have the alcoholic content thereof reduced below one-half of 1 per cent by volume before being removed from the premises, except that liquids such as beer, ale, porter, or wine developed in such plant as above stated may be removed without sale, free of tax, to an industrial alcohol plant, fruit distillery, or another dealcoholizing plant, for the purpose of having the alcohol extracted therefrom.

(c) Proprietors of dealcoholizing plants may also procure beer, ale, porter, or wine produced at duly qualified wineries or breweries operated by them, which liquids must have the alcohol extracted therefrom before removal from the dealcoholizing plant.

(d) Proprietors of dealcoholizing plants may also purchase or procure beer, ale, porter, or wine for the purpose of converting the same into beverages, from duly qualified wineries, bonded store-rooms, or breweries operated by other persons, but the tax on such liquids must be paid before removal from the winery, bonded store-room, or brewery. The alcoholic content of such liquids must be reduced at the dealcoholizing plant by extraction or otherwise, and the beverage before removal therefrom must contain less than one-half of 1 per cent of alcohol by volume.

(e) Proprietors of dealcoholizing plants must keep a daily record and summary of each month's transactions on Form 1413, showing—

(1) Kind and quantity of materials (a) on hand first of month, (b) received, (c) used, and (d) on hand last of month.

(2) Kind and quantity of liquids (a) on hand first of month, (b) produced, (c) received (listing each shipment received), (d) shipped (listing each shipment), (e) used in manufacture of beverages, and (f) on hand last of month.

(3) Kind and quantity of beverages (a) on hand first of month, (b) produced, (c) shipped, (d) received, (e) tax paid and removed, and (f) on hand last of month.

(4) If dealcoholized wines are produced a stamp account showing (a) amount of stamps on hand first of month, (b) amount purchased, (c) amount used, and (d) amount on hand last of month.

(f) This record must be made in quadruplicate, two copies of which should be forwarded to the Collector of Internal Revenue and one copy forwarded to the Director, before the 10th of each month, showing the transactions during the preceding month, and the remaining copy kept on file at the dealcoholizing plant. The

proprietors of dealcoholizing plants must provide their own records until printed forms are furnished by the department.

(g) The Director will examine the records forwarded to him and file same in his office. The Collector of Internal Revenue will examine the records received by him to determine whether the proper amount of tax has been paid and will immediately forward one copy to the Commissioner of Internal Revenue.

(h) Dealcoholizing plants must be completely separated from bonded wineries, bonded storerooms, breweries, distilleries, industrial-alcohol plants, vinegar factories, and retail liquor dealer, wholesale liquor dealer, and rectifying establishments.

(i) All beverages manufactured as herein provided should be tax-paid in the regular manner. Section 628, Revenue Act of 1918, imposes a tax upon the manufacturer of cereal beverages of 15 per cent of the price for which sold, which tax should be paid to the Collector of Internal Revenue. (See Regulations 52.) Dealcoholized wines are subject to tax at the rate of 16 cents per wine gallon under Section 611, Revenue Act of 1918, whether carbonated or not. This tax must be paid by affixing wine stamps to containers on removal from the premises where produced, which stamps must be procured from the Collector of Internal Revenue. The regulations relative to the tax payment of wines are also applicable to such dealcoholized wines.

(j) Proprietors of dealcoholizing plants producing beverages from liquids, such as beer, ale, and porter, are not regarded as brewers and need not pay special tax as such. Since proprietors of dealcoholizing plants are not permitted to sell any liquids containing one-half of 1 per cent or more of alcohol by volume, they will not incur tax as liquor dealers.

SEC. 46. Fruit Distilleries and Industrial Alcohol Plants.—Duly qualified distillers operating fruit distilleries or industrial alcohol plants who have obtained permit, as provided herein or in Regulations No. 61, may procure liquids, such as beer, ale, porter, or wine, from duly qualified breweries, bonded wineries, or bonded storerooms, or without sale from dealcoholizing plants. Fermented liquors may be conveyed without payment of tax from the brewery to a contiguous industrial alcohol plant under the provisions of section 609 of the act of February 24, 1919, and regulations issued thereunder, providing for the transfer of such fermented liquors to contiguous industrial distilleries. If sold to any other industrial alcohol plant, the tax on the beer must be paid when removed from the brewery.

(a) All such liquids received at these distilleries or industrial alcohol plants must be completely distilled and the alcohol extracted therefrom must be saved. The residue, containing less than one-half of 1 per cent of alcohol by volume, may be further treated before removal from these premises in order to render the same marketable and may be taxpaid and disposed of as provided herein.

(b) Fruit distilleries must show on Record 25½ and on transcripts of said record, Form 15, the kind, quantity, and alcoholic content of liquids received containing one-half of 1 per cent or more of alcohol by volume and give detailed information covering each shipment, showing the serial numbers of packages, premises from which shipped, date received, etc.

(c) Industrial alcohol plants must show the information described in the preceding paragraph on records provided for use at said plants as provided in Regulations No. 61.

(d) Such fruit distilleries or industrial alcohol plants producing beverages containing less than one-half of 1 per cent of alcohol by volume must, in addition, keep a separate record showing:

(1) Kind of beverages (a) on hand 1st of month, (b) produced, (c) tax paid and removed, and (e) on hand last of month.

(2) If dealcoholized wines are produced, a stamp account showing (a) amount of stamps on hand 1st of month, (b) amount purchased, (c) amount used, and (e) amount on hand last of month.

SEC. 47. Bonded Wineries.—Proprietors of bonded wineries, after obtaining permit as provided in Article III, may produce wines by the usual methods of fermentation, fortification, or otherwise, for the purpose of sale or delivery to dealcoholizing plants or to distillers or industrial alcohol plants for conversion into beverages containing less than one-half of 1 per cent of alcohol by volume.

(a) Fortified wines so produced, as well as fortified wines previously produced for such purposes, must be kept on the winery premises completely separated from unfortified wines or from fortified wines produced and intended to be disposed of for other legitimate purposes. The tanks, packages, and other containers of such fortified wines must be serially numbered and labeled as provided by Internal Revenue Regulations, and, in addition, must bear the following label:

These wines were produced for sale or delivery to dealcoholizing plants or distilleries for the manufacture of beverages containing less than one-half of 1 per cent of alcohol and must not be disposed of or used for any other purpose.

(b) These labels must be affixed to the containers as provided in Article XVIII, with respect to other labels, and will be subject to the regulations contained in that article.

(c) When wines produced as aforesaid are fortified, no tax shall be assessed on the spirits or brandy used in such fortification. The records required by Internal Revenue Regulations No. 28, when wines are fortified for other purposes, must, however, be kept and the wines fortified each day must be stored in separate tanks, packages, or containers, which must also bear the date when fortified. No wine should be fortified during the same day both for the purposes above indicated and for other purposes.

(d) Wines produced as above provided may be shipped in bond free of tax to dealcoholizing plants, distilleries, or industrial alcohol plants, for the purposes above indicated, except that when sold to proprietors of dealcoholizing plants the tax due must be paid.

(e) No other disposition may be made of fortified wines so produced unless special permit is received from the Federal Prohibition Commissioner for each shipment to be diverted to other uses. Forms 703 and 624 need not be filed when wines are shipped to dealcoholizing plants, distilleries, or industrial alcohol plants.

(f) Where fortified wines (on which the tax has been paid on the brandy used in fortifying) are dealcoholized at distilleries or industrial alcohol plants and the alcohol is saved, credit shall be allowed on the tax due on the alcohol so saved to the amount of any tax so paid on the spirits or brandy used in fortifying such wines.

SEC. 48. Breweries.—Duly qualified brewers who have paid special tax under the internal-revenue laws, and have obtained permits as provided in Article III, to manufacture beer, ale, or porter for shipment to dealcoholizing plants, distilleries, or industrial alcohol plants for conversion into beverages containing less than one-half of 1 per cent of alcohol by volume may then produce beer, ale, or porter, complying with all internal-revenue laws and regulations. Such liquids may be shipped only to dealcoholizing plants or to industrial alcohol plants for conversion into beverages.

(a) Fermented liquors may be sold and removed from the brewery to contiguous industrial alcohol plants free of tax or to dealcoholizing plants and other industrial alcohol plants upon payment of tax at the rate of \$6 per barrel. Where such liquors are removed to dealcoholizing plants or industrial alcohol plants operated by the brewer, no tax is required.

SEC. 49. Miscellaneous.—Beverages produced at dealcoholizing plants, distilleries, or industrial alcohol plants must before removal therefrom contain less than one-half of 1 per cent of alcohol by volume, and the manufacturer is charged with the duty of seeing that they are marketed in sterile closed containers or in such other manner that the alcoholic content will at all times remain below such percentage. In any case where any such beverage is found upon the market containing alcohol in excess of the allowed percentage, the manufacturer will be presumed to have marketed and sold an intoxicating liquor. In the event it is discovered that the alcoholic content of such beverages is greater than that allowed by law and it is necessary to incur any expense to have samples analyzed, the reasonable expense of such analysis shall be taxed as costs in any suit or proceeding involving the alcoholic content of the beverage.

(a) Shipment or deliveries of liquids authorized under this article may be made only on receipt of permits to purchase as provided

in Article VIII. If such liquids are shipped untax paid, as above provided, and the total quantity shipped is not accounted for on the records of the consignee as being received by him, the shipper will be held liable for the tax on the quantity not accounted for as received, unless it is shown that the discrepancy was caused by unavoidable accident. Claims for such losses should be promptly made as provided in T. D. 2861, the provisions of which are hereby made applicable to such shipments. (See Art. XVI as to transportation.)

(b) All liquids produced for sale at wineries and breweries intended for conversion into beverages containing less than one-half of 1 per cent of alcohol by volume must be labeled at the time of manufacture to show the following:

- (1) Name of manufacturer.
- (2) Date of manufacture.
- (3) Serial number of permit authorizing manufacture.
- (4) Kind and quantity of contents.

Such labels must be attached in the manner and conform to the requirements provided in Article XVIII.

In the case of fortified wine so produced the label prescribed in section 47 (a) will be in addition to the above.

(c) The containers of beverages produced at dealcoholizing plants, distilleries, or industrial-alcohol plants must, before or at the time of removal from the premises where produced, bear a statement either on the commercial label or separate label that the beverage contains less than one-half of 1 per cent of alcohol by volume. This statement must appear on every bottle or other container of such beverages and where such beverages are transferred to new containers a similar statement must appear on the new containers. Such beverages may not be denominated as beer, ale, or porter.

(d) Proprietors of dealcoholizing plants must register any stills in their possession as provided in section 3258, Revised Statutes.

ARTICLE VII.

PROCUREMENT, DISPOSITION, AND USE OF WINES FOR SACRAMENTAL PURPOSES OR LIKE RELIGIOUS RITES.

SEC. 50. Wines for sacramental purposes or like religious rites must be produced on winery premises as provided in Article IV.

(a) Such wines may be removed in bond without payment of tax to other bonded premises having similar permits, upon receipt of permit to purchase, form 1410, and upon filing Form 703. When removed from the bonded premises for sale or consumption such wines must be properly tax paid. Persons desiring to deal in or import tax-paid wines for sacramental purposes, or like religious rites, must obtain permits as provided in Article III. Duly qualified wineries, bonded storerooms, or dealers in wines for sacramental purposes, or like religious rites, may ship such tax-paid wines only

to persons holding permits on receipts of permits to purchase, Form 1410, or to rabbis, ministers of the gospel, priests, or duly authorized church officials, on receipt of properly approved applications on Form 1412, as hereinafter provided.

(b) Rabbis, ministers of the gospel, priests, and officers duly authorized for the purpose by some church or congregation may, without obtaining permit, procure such wines in sufficient quantities for sacramental purposes or like religious rites of the local congregation for a period of one year.

SEC. 51. In case the church or congregation has a hierarchal form of organization the following regulations will apply:

(a) The head of the ecclesiastical jurisdiction (ordinarily the bishop of the diocese or a corresponding official who is at the head of some territorial association of churches) must approve all applications for sacramental wines made by individual ministers of the gospel, priests, or duly authorized church officials, on Form 1412, or he may designate some minister of the gospel, priest, or other official to approve such applications. He should at once notify the Director whether he will approve such applications himself or of the names, titles, and addresses of the persons designated by him to approve such applications.

(b) Individual ministers of the Gospel, priests, or duly authorized church officials desiring to procure wine for sacramental purposes must make application in triplicate on Form 1412, except that where transportation is involved one or two additional copies should be made for delivery to the carrier or carriers at the point of destination, as required by Article XVI. After signing all copies, they must send same to the official designated by the head of the ecclesiastical jurisdiction to approve such applications. After approval of the application, the person approving same will send all copies to the wine maker or dealer mentioned therein who is to furnish the wines. After shipment or delivery, the vendor will note on each copy of the application that the wines have been shipped or delivered, together with the date of shipment or delivery, and will on such date send one copy to the Director of the State in which the applicant is located, one copy to the official who approved the application, and will retain the remaining copy on file as authority for the shipment. Where more than three copies are filed with the Director, the remaining copies should be forwarded to the applicant. The Director and the official approving such applications will file all such applications so received. The applicant will, where necessary under the provisions of Article XVI, furnish the copies of the application returned to him to the transportation company or local carrier.

SEC. 52. In case the church or congregation does not have a hierarchal form of organization, the following regulations will apply:

(a) Individual rabbis, ministers of the gospel, priests, or officials duly authorized for the purpose by some church or congregation de-

siring to procure wines for sacramental purposes or like religious rites, must fill out application on Form 1412, in triplicate, except that where transportation is involved one or two additional copies should be made for delivery to the carrier or carriers at the point of destination as required by Article XVI. After signing each copy, the original being under oath, they will forward all copies to the Director for his approval. After approval, the Director will forward all copies to the wine maker or dealer mentioned therein who is to furnish the wines. After shipment or delivery the wine maker or dealer will note on each copy that the wines have been shipped or delivered, together with the date of shipment, and will on such date send one copy to the Director who approved the same and will retain the remaining copy on file as authority for the shipment. The remaining copies will be returned to the applicant.

The Director will file all applications so returned to him and the applicant will file one of the copies so returned, and where necessary under the provisions of Article XVI will furnish the remaining copy or copies to the carrier or carriers.

(b) Before approving such applications, the Director must first satisfy himself that the rabbi, minister of the gospel, priest, or church official signing the application is actually entitled to receive wines for sacramental purposes and the quantity applied for is not excessive. In the case of applications so filed by rabbis, a statement from any one of the following persons may be accepted by the Director as sufficient evidence that the applicant is entitled to receive wines for sacramental purposes and like religious rites:

President of the Union of Orthodox Rabbis, New York City.

President of the Rabbinical Assembly of the Jewish Theological Seminary, Philadelphia, Pa.

President of the Central Conference of American Rabbis, Detroit, Mich.

Src. 53. Persons who have obtained permit to manufacture or sell wines for sacramental purposes or like religious rites may sell, barter, exchange, or furnish such wines to rabbis, ministers of the gospel, priests, or officials duly authorized for the purpose by some church or congregation only upon receipt of application, Form 1412, duly subscribed by him and approved as above provided.

(a) No person is permitted to manufacture wines for use by himself for sacramental purposes unless he is also a rabbi, minister of the gospel, priest, or duly authorized church official, in which event, he will be required to operate such winery in accordance with Internal Revenue Laws and Regulations, and obtain permit to manufacture wines as provided in Article IV. Such wines may not be consumed on the premises where produced but may be removed upon tax payment for delivery for sacramental purposes, on receipt of

application, Form 1412, duly subscribed by the applicant and approved as herein required.

(b) Rabbis, ministers of the gospel, priests, or duly authorized church officials who receive wines as herein provided may use same for sacramental purposes or like religious rites, but may not sell same to others for such purposes. However, where at the time these regulations are issued it is the practice of members of congregations to use wines for sacramental purposes or like religious rites, either at the church or synagogue or in the home, such wines may be furnished to them, without sale, for such purposes in necessary quantities by the rabbi, minister of the gospel, priest, or official duly authorized for the purpose by some church or congregation. In case wine for such purpose is furnished as herein provided for use elsewhere than in a church or synagogue the rabbi, minister of the gospel, priest, or duly authorized church official must keep a record, alphabetically arranged, showing the name and address of each person to whom furnished and the date and quantity furnished. No specific size or form of record is required, but the record must be kept in such manner as to be readily accessible to examining officers at any reasonable hour.

(c) Where wine is furnished by a rabbi to members of his congregation for use in the home, not more than 10 gallons a year may be so furnished for the use of any family.

(d) Some persons of the Jewish faith have certain religious rites in their homes in the conduct of which they use wine, while other members of the Jewish faith do not so practice such religious rites in their homes. Those who practice such religious rites in their homes are undoubtedly entitled under the law to wine for such purposes, while those members of the Jewish faith who do not follow such practice are just as clearly not entitled to wine for use in their homes. The question as to whether Jewish families are entitled to wine should in the first instance be decided by the rabbis of the congregations to which the families belong, and the responsibility is hereby placed upon them for so doing. The Director, before approving any applications from rabbis for wines to be furnished to members of their congregations, should satisfy himself of the necessity of the use of wine in the practice of religious rites in the homes of such members.

ARTICLE VIII.

PROCEDURE FOR PROCUREMENT AND DELIVERY OF INTOXICATING LIQUOR BY PERSONS HOLDING PERMITS.

SEC. 54. Any person entitled to procure intoxicating liquor in accordance with the provisions of these regulations must, in order to obtain such liquor, secure permit to purchase on Form 1410 from

the Director, and no person is authorized to furnish or deliver intoxicating liquor except upon receipt of permit to purchase, unless otherwise specifically provided in these regulations.

(a) Application for permit to purchase must be made on Form 1410, which when approved by the Director, becomes a permit. Directors will at any time furnish permit holders with supplies of such forms.

SEC. 55. Instructions for Making Application.—The applicant must describe the intoxicating liquor to be received by him with as much particularity as possible. He must give in all cases the quantity in wine gallons of each kind of intoxicating liquor on hand on the date of application, and previously received by him during the current calendar year. Each application must also show the name and address of the vendor, the purpose for which such intoxicating liquor is to be used, the number of the permit held by the applicant, and the address covered thereby.

(a) The applicant must assure himself that the quantity of intoxicating liquor outstanding as a debit against his bond, together with the additional quantity applied for, is not in the aggregate greater than the quantity covered by the penal sum of the bond.

(b) If the applicant is unable to describe the intoxicating liquor by the serial number of the package, the proof gallons and taxable gallons, he may leave those spaces blank and the vendor will fill in the necessary data in the spaces provided.

(c) All applications must be sworn to before an officer authorized to administer oaths, and unless so sworn to the Federal Prohibition Director will decline to approve the same. No application will be approved unless it contains all the information called for, except that, as above provided, intoxicating liquor applied for need not be fully described until the vendor receives the permit.

(d) Applications for permit to purchase will be made in triplicate, except that when transportation is involved one or two additional copies should be made for delivery to the carrier or carriers at the point of destination as required by Article XVI. All copies will be forwarded to the Director, who, if he finds the applicant entitled to procure intoxicating liquor and if the applicant's bond is sufficient, will approve all copies of the application and note upon them the date of expiration.

(e) Permits to purchase intoxicating liquor for the purpose of manufacturing or selling expire 90 days after date of approval. Permits to purchase as herein required for other purposes expire in 30 days.

(f) After approval, the Director will immediately send all copies to the vendor who is to furnish the intoxicating liquor. The vendor will fill in the appropriate blank spaces which have not already been

filled in by the applicant, particularly the spaces provided for serial numbers of packages or stamps affixed thereto, and will note on all copies the date of shipment or delivery of intoxicating liquors in wine and proof gallons of each kind of intoxicating liquors shipped or delivered. He will then return one copy to the Director not later than the day succeeding the date of shipment or delivery. One copy will be retained in the files of the vendor as his authority for making the shipment or delivery, the remaining copy or copies to be forwarded by him to the applicant.

(g) The applicant must file one copy at his place of business, and where transportation is involved, will present the remaining copy or copies to the carrier or carriers at the point of destination as provided in Article XVI. Copy of permit to purchase covering each shipment or delivery must be chronologically filed both by the vendor and applicant.

(h) Directors will keep a file of copies of permits to purchase, Form 1410, that have been returned by vendors. These forms must be filed chronologically and all forms issued to any one permit holder must be kept separate. This file should be kept up to date at all times. No application for permits to purchase should be approved by the Director until same has been carefully checked by him with such files, and the amounts thereon found to correspond with those indicated on the previous permit to purchase issued to the applicant.

SEC. 56. Approval of a Number of Permits to Purchase in Advance of Shipment or Delivery.—Any person entitled to procure intoxicating liquor, upon furnishing permits to purchase may, in order to avoid possible delay or inconvenience, secure a number of permits to purchase in advance. Applications for such permits should be filled out as herein provided but need not specify the name of the vendor.

(a) Such applications may call for amounts of liquor necessary to the business needs of the applicant, provided that the aggregate amount secured in any quarterly period does not exceed the amount covered by the penal sum of the applicant's bond.

(b) After approval, the Director will return all copies to the applicant who may send all such permits to any person authorized under these regulations to furnish intoxicating liquors, specifying on each permit the name of the person to whom he sends same. In sending any permits to purchase to such person, the permittee should forward all copies thereof required under these regulations. The vendor will then proceed as above provided with respect to other permits to purchase forwarded to him by the Director.

SEC. 57. Permits to Purchase by Physicians of Homeopathic and Eclectic Schools.—Physicians of the homeopathic and eclectic schools, after obtaining permit to use alcohol or homeopathic potencies, attenuations, and dilutions in the course of their practice, may procure same

from homeopathic pharmacists or others having permit to sell, as provided below.

(a) Approximately one month prior to the ending of the current quarter of the calendar year each such physician may file an application for permit to purchase, Form 1410, with the Director, in triplicate, except that when transportation is involved one or two additional copies should be made for delivery to the carrier or carriers at the point of destination, as required by Article XVI. Such application should state the total quantity of alcohol or homeopathic potencies, attenuations, and dilutions which he desires to procure during the following quarter, and each copy should be signed, the original being under oath. This application must also state the name of the homeopathic pharmacist from whom he desires to purchase as well as all other data called for by that form.

(b) The Director may then approve such application and should note on each copy that it will become effective on the first day of the following quarter. After approval it becomes a blanket permit to purchase, good for 90 days from the date it takes effect. The Director should immediately forward one copy to the homeopathic pharmacist named therein, retain the original in his files, and return the remaining copy or copies to the applicant.

(c) The homeopathic pharmacist will carefully and permanently file such copy of the permit to purchase forwarded to him, and the applicant will likewise file one of the copies which he receives. The remaining copy or copies of the permit to purchase returned to the physician, verified under oath, should be furnished to the carrier or carriers who will deliver the alcohol or homeopathic preparations, who should likewise carefully file same. The verified copy of the permit to purchase furnished the carrier by such physician will be sufficient authority for the carrier to deliver all shipments of alcohol or alcoholic preparations shipped to such physician by the homeopathic pharmacist named in the permit during the period covered by the permit to purchase. Such physician can not receive in excess of 15 gallons of alcohol or alcoholic preparations during any one calendar year.

(d) The Director will also furnish such physicians with a supply of order blanks, Form 1417, which are to be used by them as follows: Each time such physician, after obtaining permit to purchase as provided above, desires to purchase alcohol or homeopathic potencies, attenuations, or dilutions, he must fill out three copies of the order forms mentioned, stating the exact quantity desired to be purchased, which forms should be dated and signed. One copy will be filed by the physician attached to the copy of the blanket permit to purchase for that period held by him. The original and one copy of such order form must be furnished to the homeopathic pharmacist who

has on file one copy of the blanket permit to purchase. After delivery, such pharmacist will note on each copy the date of shipment, and on the day shipment is made will file one copy attached to the blanket permit to purchase which he has on file from the physician, and forward the original order blank to the Director of the State in which the physician is located, who should file same attached to the blanket permit to purchase for that period in his files. The responsibility of seeing that the total quantity received by such physician during any given period of time does not exceed the quantity indicated on his permit rests upon both the physician and upon the pharmacist authorized to make sales to him.

(e) No person is permitted to ship or deliver, and no carrier is permitted to deliver, alcohol or alcoholic preparations to physicians of the homeopathic or eclectic schools unless he has on file a copy of a blanket permit to purchase issued to such physician, which is in force on the date shipment is made, and, further, no person is permitted to ship or deliver alcohol or homeopathic preparations to such physician except upon receipt of order forms as above provided, unless such physician, instead of following this procedure, procures permits to purchase for each shipment as previously provided in this article.

ARTICLE IX.

WHOLESALE DEALERS IN INTOXICATING LIQUOR.

SEC. 58. Any person who desires to obtain permit to sell intoxicating liquor in quantities of 5 wine gallons or more at the same time for the nonbeverage purposes authorized should file application on Form 1404, as prescribed in Article III. In filing application for permit such person should specifically set forth the kind and maximum quantity of liquor to be held at any one time, or, in case a person is lawfully in the possession of intoxicating liquor and desires to obtain a permit to sell same, he should state in his application the amount and kind of liquor so possessed.

In all cases it must be stated that such liquor will be sold by him only in wholesale quantities. Permits will not be issued to deal in intoxicating liquor produced under authority of Article VI for conversion into nonalcoholic beverages.

(a) Permits to sell intoxicating liquor in quantities of less than 5 wine gallons may be obtained only be retail druggists or pharmacists, as outlined in Article XII, provided, however, that when a person is engaged in business as both a wholesale and retail druggist, he may obtain permit to sell intoxicating liquor in both wholesale and retail quantities. All sales in retail quantities must be made through a pharmacist.

(b) Persons obtaining permits to deal in intoxicating liquor in wholesale quantities may procure such liquors from other persons authorized to sell the same upon furnishing permits to purchase on Form 1410.

(c) Intoxicating liquor so procured by such persons may only be sold or furnished by them in wholesale quantities to other persons entitled to procure same unless otherwise provided by the terms of the permit. Such dealers may furnish or deliver intoxicating liquor only upon receipt of permits to purchase, except in the case of sacramental wines where applications on Form 1412 are received, as hereinabove provided.

(d) Bottled-in-bond whisky and brandy for domestic medicinal purposes, procured or possessed by wholesale druggists or other wholesale dealers may be sold by them only in wholesale quantities to other wholesale dealers or to retail druggists or pharmacists, hospitals, sanitariums, manufacturing, and industrial establishments, and physicians who hold permits to use such liquor for medicinal purposes.

(e) All persons dealing in intoxicating liquors are required to keep Record 52 and supplementary Record 52, containing detailed entries covering all receipts and deliveries of liquor by them, and to keep a permanent file containing a copy of each permit to purchase upon which deliveries of intoxicating liquor are made to or by them.

(f) All persons making sales of intoxicating liquor in wholesale quantities are required to affix to the containers of such liquor a label, to be provided by them, bearing the following data:

- (1) Name of manufacturer.
- (2) Kind, quantity in wine gallons, and proof contents.
- (3) Name of seller.
- (4) Date of sale.
- (5) Name of purchaser.

(g) Such labels are subject to all the requirements of Article XVIII.

ARTICLE X.

RECTIFICATION OF INTOXICATING LIQUOR.

SEC. 59. Persons may file application on Form 1404, under the procedure outlined in Article III, and obtain permit on Form 1405 to use distilled spirits or wines for rectification, and may then rectify distilled spirits and wines for any legitimate purpose.

(a) Such persons upon furnishing permits to purchase Form 1410, may receive distilled spirits or wines for the purpose of rectification from other persons qualified to deliver the same. After rectification of such spirits or wines such persons may, provided they also have

permit to sell intoxicating liquor, furnish or deliver the same to other persons who hold permits entitling them to receive the same upon receipt of permits to purchase.

(b) In every case, upon receipt of notice of intention to dump distilled spirits or wines for rectification, the Collector is required to cause investigation to be made and must satisfy himself that the spirits or wines will not be illegally employed before authorizing the rectifier to dump the same.

(c) Persons engaged in the business of rectification under authority of these regulations, are required to pay special tax as provided by section 3244, R. S., as amended, and, except as provided herein, are subject to all other requirements of Internal Revenue law and regulations governing rectifiers. It is not necessary that entries covering distilled spirits or wines rectified for nonbeverage purposes in records kept by rectifiers and in the office of the Collector be made in red ink.

(d) In filing application for permit to rectify distilled spirits or wines the applicant should set forth specifically the acts for which he desires authorization, and must state whether he desires to use or sell same.

ARTICLE XI.

USE OF INTOXICATING LIQUOR IN THE MANUFACTURE OF ALCOHOLIC MEDICINAL PREPARATIONS AND OTHER ALCOHOLIC COMPOUNDS.

SEC. 60. Distilled spirits and wines may be used in the manufacture of medicinal preparations compounded in accordance with formulae prescribed by U. S. P., N. F., or the American Institute of Homeopathy, which preparations are unfit for beverage purposes, and in the manufacture of patented, patent, proprietary or other medicines which are unfit for beverage purposes.

(a) Such preparations must contain no more alcohol than is necessary for the purpose of extraction, solution or preservation, and must contain in each fluid ounce a dose as a whole or in compatible combination of one or more agents of recognized therapeutic value and contain no agents either chemically or physiologically incompatible with the active medicinal agents upon which the medicinal claims are based.

(b) The preparations named below which are included in the U. S. P. and N. F. are held to be fit for beverage purposes. Distilled spirits and wines may, however, be used in the manufacture of such preparations and may also be used in the manufacture of any preparations fit for use for beverage purposes for which formulae are prescribed by the American Institute of Homeopathy, but after manufacture such preparations will be regarded as intoxicating liquor and

may not be sold, purchased, bartered, transported, imported, exported, delivered, furnished, possessed or used except as specifically authorized in these regulations.

Cordiale Rubi Fructus (Blackberry Cordial).
 Elixir Aromaticum (Elixir Aromatic).
 Elixir Anisi (Elixir of Anise).
 Elixir Aromaticum Rubrum (Red Aromatic Elixir).
 Elixir Aurantii Amari (Elixir of Bitter Orange).
 Elixir Cardamoni Compositum (Compound Elixir of Cardamon).
 Elixir Glycyrrhizae (Elixir of Licorice).
 Elixir Glycyrrhizae Aromaticum (Aromatic Elixir of Glycyrrhiza).
 Elixir Taraxaci Compositum (Compound Elixir Taraxacum).
 Spiritus Juniperi Compositus (Compound Spirits of Juniper).
 Spiritus Myrciae Compositus (Compound Spirits of Myrcia).
 Tinctura Amara (Bitter Tincture).
 Tinctura Aromatica (Aromatic Tincture).
 Tinctura Caramelis (Tincture Caramel).
 Tinctura Cardamoni Composita (Tincture Cardamon Compound).
 Tinctura Levendulae Composita (Compound Tincture of Lavender).
 Vinum Aurantii Compositum (Compound Wine of Orange).
 Vinum Pruni Virginianae (Wine of Wild Cherry).

(c) The preparations fit for beverage purposes which are authorized to be manufactured as above may be used in the manufacture of other preparations compounded in accordance with formulæ prescribed by the U. S. P., N. F., or the American Institute of Homeopathy, which preparations when manufactured are unfit for use for beverage purposes, or in the manufacture of patented, patent, proprietary or other medicines which are unfit for use for beverage purposes.

SEC. 61. Wholesale and retail druggists or pharmacists may medicate alcohol in accordance with any one of the seven formulæ listed below:

1. Bichloride of mercury, 1 part; alcohol, 2,000 parts.
2. Bichloride of mercury, 0.8 gram; hydrochloric acid, 60 c. c.; alcohol, 64 c. c.; water, 300 c. c.
3. Bichloride of mercury, $1\frac{1}{2}$ grains; hydrochloric acid, 2 drams; alcohol, 4 ounces.
4. Formaldehyde, 2 parts; glycerin, 2 parts; alcohol, 96 parts.
5. Carbolic acid, 1 dram; tannic acid, 1 dram; alcohol, 1 pint; water, 1 pint.
6. Alum, $\frac{1}{2}$ ounce; formaldehyde, 2 drams; camphor, 1 ounce; alcohol and water, each 1 pint.
7. Liqueur cresolis comp. (U. S. P.), 10 c. c.; alcohol, 1,000 c. c.

(a) Wholesale druggists medicating alcohol as above may sell the same only to persons holding permits entitling them to procure the same, such as retail druggists or pharmacists, persons operating Turkish bath establishments, etc., upon receipt of permits to purchase, Form 1410, under the procedure outlined in Article VIII.

(b) Retail druggists or pharmacists may sell such medicated alcohol, in quantities not exceeding one pint, for other than internal use without physicians' prescriptions to persons who do not hold permits to sell or use intoxicating liquor or to purchase such medicated alcohol, without the necessity of receiving permit to purchase on Form 1410, provided that in each case the container of such medicated alcohol bears a "poison" label.

(c) The sale of alcohol medicated in accordance with any one of the above formulæ in quantities exceeding one pint is considered sufficient evidence to show that the vendor might reasonably deduce an intention that the vendee intended to use same for beverage purposes unless sold to a person who has obtained permit to procure same in larger quantities, and then only on receipt of permit to purchase as above provided.

(d) When sold as herein provided, no permit to purchase need be filed with the carrier as authority for delivering same.

SEC. 62. Alcohol may be used in the manufacture of antiseptic solutions and toilet preparations such as lotions, hair tonics, hair dressings, cologne and perfumes that contain no more alcohol than is necessary for extraction, solution or preservation and measure up to the standards prescribed and published by the Commissioner from time to time and are unfit for use for beverage purposes.

(a) In any case where antimony potassium tartrate, commonly known as tartar emetic, is added to any toilet preparation in the proportion of 32 grains per gallon and the container of such preparation is labeled "for external use only," the same will be regarded as being unfit for use for beverage purposes.

(b) Bay rum, whether prepared according to the formula given in the National Formulary as spirits myrciae or otherwise, unless treated by the addition of antimony potassium tartrate in the proportion above indicated, and the containers thereof labeled as above provided, will be regarded as being fit for use for beverage purposes, and the use of intoxicating liquor in the manufacture thereof will not be permitted.

SEC. 63. Alcohol may be used in the manufacture of flavoring extracts and sirups provided such extracts and sirups contain no more alcohol than is necessary for extraction, solution, and preservation and measure up to the standards prescribed and published by the Commissioner from time to time and are unfit for use as beverages or for intoxicating beverage purposes.

SEC. 64. All persons who desire to use intoxicating liquor in the manufacture of any of the preparations specified above must file application on Form 1404, in the manner outlined in Article III. Form 1404, Supplemental, must be attached to each copy of application for permit to use liquor in the manufacture of preparations

which do not conform to formulæ contained in the U. S. P., N. F., or American Institute of Homeopathy. This does not apply to applications for permits to medicate alcohol according to formulæ recited in section 61.

(a) In filing application for permit as above, the applicant should set forth therein the exact kind of liquor which he desires to use, and the maximum quantity which will be on hand at any one time.

(b) If the applicant desires to manufacture medicinal preparations according to formulæ prescribed by the U. S. P., N. F., or the American Institute of Homeopathy, which preparations when manufactured are unfit for use for beverage purposes, he should so state on Form 1404.

(c) If he desires to manufacture medicinal preparations according to formulæ prescribed in the U. S. P., N. F., or the American Institute of Homeopathy, which are fit for use for beverage purposes, he should so indicate on Form 1404, but need not list the names of such preparations, and should state that the same will not be sold or furnished, except upon receipt of permits to purchase, Form 1410, from persons holding permits entitling them to procure the same.

(d) If the applicant desires to manufacture preparations for which formulæ are not prescribed by the U. S. P., N. F., or American Institute of Homeopathy, he must list the name of each preparation on Form 1404, Supplemental, together with the name of the person for whom manufactured in cases where the same is not placed upon the market by the applicant, and must indicate opposite the name of each preparation the percentage of alcohol by volume in the finished product. An extended list or catalogue may be attached to the application where necessary. In addition, either or both of the forms of affidavit appended to Form 1404, Supplemental, must be executed by some one in the employ of the applicant having personal knowledge that the facts stated in the application are correct, and such person must state the capacity in which he is employed, such as chemist. The advertising matter distributed with the preparation and copies of the commercial labels that are placed on the containers thereof must also be filed with the application. All applications to use alcohol in the manufacture of extracts and flavoring sirups must be accompanied by quantitative formulæ of such preparations unless the extract or flavor is used in the applicant's own manufacturing business, or is sold in a concentrated form or as a sirup and is intended for subsequent bottling or for soft drink or other manufacturing purposes, and is unfit for use as a beverage. All such formulæ must show the percentage of alcohol in the finished product when it is placed on the market.

(e) If the applicant desires to use intoxicating liquor in compounding or refilling prescriptions for preparations which are unfit for use for beverage purposes according to the standards prescribed, and the quantity of any such preparation to be manufactured within any period of 90 days will not exceed 5 gallons, he should so state in his application, in which case he need not furnish the name of each preparation or the other data called for in this section. Whenever the quantity so manufactured exceeds the amount indicated it will be necessary that the application contain all the data required herein for preparations not manufactured according to the formulæ prescribed by the U. S. P., N. F., or the American Institute of Homeopathy.

SEC. 65. If there is any doubt as to the nonbeverage character of any preparation, the Commissioner may demand at any time the formula and process by which the same is manufactured, and may require the manufacturer to submit, charges prepaid, a commercially labeled sample of such preparation of sufficient size for analysis, addressed to "Federal Prohibition Commissioner, Division of Technology, Washington, D. C." All formulæ received by the Commissioner will be held in confidence. It is unlawful for any official to divulge or make known in any manner whatever, not approved by law, any information in his possession received in the discharge of his official duties.

SEC. 66. Where a permit has been granted by the Commissioner to use intoxicating liquor in the manufacture of any preparation mentioned in this article, and the Commissioner finds, upon analysis of a sample of such preparation, that the same does not conform to the standard prescribed, he will give the manufacturer not less than 15 days' notice to appear before an official designated in the notice to show cause why the preparation should not be classified as an intoxicating liquor. Upon the failure of the manufacturer to satisfactorily show that the preparation in question is manufactured according to the standard prescribed, the Commissioner will revoke his permit to manufacture and sell the same. In such event the manufacturer may have recourse to a court of equity for a review of the Commissioner's action.

SEC. 67. Preparations manufactured under authority of this article may not be sold or used as beverages or for intoxicating beverage purposes, or under circumstances from which an intent on the part of the purchaser to use for such purposes might be reasonably deduced.

ARTICLE XII.

OTHER AUTHORIZED USES OF INTOXICATING LIQUOR AND RETAIL SALES THROUGH PHARMACISTS.

SEC. 68. All persons desiring to use intoxicating liquor as provided in this article or, in the case of retail druggists or pharma-

cists, to sell intoxicating liquor in retail quantities, must file application on Form 1404 in the manner provided by Article III, and secure permit therefor from the Commissioner.

Sec. 69. Use and Sale by Retail Druggists and Pharmacists.—A retail pharmacist, or a retail druggist where the sale is made through a retail pharmacist, may sell distilled spirits, wines, or the alcoholic medicinal preparations fit for beverage purposes which are authorized to be manufactured by Article XI in quantities of less than 5 wine gallons to other persons holding permits entitling them to procure such liquor for nonbeverage purposes on receipt of permits to purchase, Form 1410. Retail druggists or pharmacists may not sell intoxicating liquor in quantities of 5 wine gallons or more unless they are also wholesale druggists or wholesale pharmacists and hold permits to sell intoxicating liquor in wholesale quantities as provided in Article IX. No sale at retail may be made except through a pharmacist.

(a) The liquor above specified may be used by retail druggists or retail pharmacists in the compounding of medicinal preparations on physicians' prescriptions or otherwise, provided that in each case such preparations are unfit for use for beverage purposes, according to the standards prescribed herein. Such preparations may be sold, for medicinal purposes only, to persons not holding permits under these regulations without the necessity of receiving permits to purchase or prescriptions on Form 1403.

(b) Alcoholic medicinal preparations, fit for use for beverage purposes, as are authorized to be manufactured by Article XI hereof, and other liquor may be sold by retail pharmacists, or by retail druggists where the sale is made through a pharmacist, upon physicians' prescriptions to persons who do not hold permits to sell or use intoxicating liquor and without the necessity of receiving permits to purchase, Form 1410, provided the name of the pharmacist (or druggist where the pharmacist is in his employ) appears on the prescription in the physician's handwriting in addition to all other data required by Article XIII. Prescriptions may not be issued for more than 1 pint of spirituous liquors at one time. Pharmacists are not permitted to refill any such prescriptions. Further, they should refuse to fill any prescription for liquor if they have reason to believe that physicians are prescribing for other than medicinal uses or that a patient is securing, through one or more physicians, quantities of intoxicating liquor in excess of the amount necessary for medicinal purposes, which in the case of spirituous liquors shall not be more than 1 pint for the same person within any period of 10 days. Physicians may not prescribe liquor for their own personal use, and pharmacists should refuse to fill any such prescription presented to them.

(c) Every pharmacist filling prescriptions for intoxicating liquor must, at the time of filling, indorse upon each prescription, over his signature, the word "canceled," together with the date the liquor was delivered. Pharmacists filling prescriptions for liquor for medicinal uses, or retail druggists in cases where such pharmacists are in their employ, must preserve, in a separate, carefully guarded file, one copy of each prescription filled, and must transmit once a month to the Director a list of prescriptions for intoxicating liquor filled by them, which list shall show the names of the physicians, the names of the patients, and the total quantity of liquor dispensed to each patient during the month.

(d) Retail druggists or pharmacists selling intoxicating liquors as such, whether upon physicians' prescriptions or otherwise, are required to pay special tax as liquor dealers under the internal-revenue laws, and to keep special tax stamp as such conspicuously posted.

(e) In filing application to use or sell intoxicating liquor as set forth in this section, retail druggists or pharmacists should set forth the kind of intoxicating liquor they desire to sell or use, and the maximum quantity to be held at any one time, and the manner in which, and the purpose for which they desire to sell or use the same.

SEC. 70. Retail druggists or pharmacists who purchase and sell intoxicating liquor under the provisions of this article are required to keep supplemental record 52, modified where necessary, and to make entries therein covering all intoxicating liquor delivered to or received by them. A transcript of such record must be forwarded to the Director before the 10th of each month, showing all transactions during the preceding month.

SEC. 71. Use of Intoxicating Liquor by Physicians.—Distilled spirits, wines, and the alcoholic medicinal preparations fit for use for beverage purposes which are authorized to be manufactured by section 60, may be administered by physicians to their patients for medicinal purposes in cases where the use of such liquor is believed necessary to afford relief from some known ailment and delay in procuring the same through a retail pharmacist upon a prescription might result in loss of life, aggravation of the ailment, or intense suffering. Physicians may obtain not more than 6 quarts of liquor during any calendar year to be administered to their patients only in the quantities necessary to afford relief at the time of administering and may not sell or furnish the same to such persons or to any other persons. The total amount of spirituous liquor administered to any one patient, by one or more physicians, during any period of 10 days may not exceed 1 pint, and where such patient is also procuring spirituous liquor upon prescriptions through a retail pharmacist, the aggregate amount so procured by him and administered to him by a physician or physicians as herein authorized may not exceed such quantity.

(a) Distilled spirits, wines, or the alcoholic preparations fit for use for beverage purposes authorized to be manufactured by section 60 may be used by physicians in the compounding of alcoholic medicinal preparations under the requirements of Article XI: *Provided, however,* That where such preparations are fit for use for beverage purposes according to the standards contained in section 60 the same may only be administered to patients in the same manner and subject to the same restrictions as other intoxicating liquor. Alcohol may also be used by physicians in the course of their practice for other than internal use.

(b) On filing application for permit to use intoxicating liquor physicians should indicate the kind of liquor which they desire to use, the quantity, the exact manner in which and the purpose for which they desire to use the same.

SEC. 72. **Use of Intoxicating Liquor in Hospitals or Sanatoriums.**—Persons conducting bona fide hospitals or sanatoriums engaged in the treatment of persons suffering from recognized diseases or ailments may administer distilled spirits, wines, or such alcoholic medicinal preparations fit for use for beverage purposes as are authorized to be manufactured by section 60 to patients at such hospitals or sanatoriums in necessary quantities upon prescriptions of the hospital or sanatorium physician having supervision over the treatment of patients in cases where he believes that the use of liquor as a medicine is necessary and will afford relief from some known ailment. Such physician is required to issue a separate prescription for each patient in whose treatment the use of such intoxicating liquor is necessary, but it is not required that a separate prescription be issued covering each dose unless prescribed at irregular intervals. All such prescriptions must be made out in duplicate, both copies to be signed in the physician's handwriting and must show the name of the hospital or sanatorium, the date of issuance, the name of the patient for whom issued, the kind of intoxicating liquor prescribed, the directions for use, and the amount of liquor to be administered during any given period. Prescriptions for intoxicating liquor should not cover any other medicine or drug.

(a) Persons conducting bona fide hospitals or sanatoriums as above may, subject to the requirements of Article XI, use distilled spirits, wines, and such alcoholic medicinal preparations fit for use for beverage purposes as are authorized to be manufactured by section 60 in the compounding of alcoholic medicinal preparations to be dispensed to patients at such hospitals or sanatoriums: *Provided, however,* That where such preparations are fit for use as beverages according to the standards set forth in section 60, they may only be administered to patients upon prescriptions of the hospital or sanatorium physician, which prescriptions should be issued in the same manner and will

be subject to the same regulations as prescriptions for other intoxicating liquor administered at such hospitals or sanatoriums for medicinal purposes.

(b) Tax-paid alcohol procured by persons conducting hospitals or sanatoriums may be issued to attendants in necessary quantities for rubbing purposes upon prescriptions issued by the hospital physician in the manner above provided. Tax-paid alcohol may be medicated by persons conducting hospitals or sanatoriums in accordance with the formula recited in Article XI and may then be issued to attendants in quantities not exceeding 1 pint, the containers bearing a poison label, for rubbing purposes without the necessity of prescriptions being issued by the hospital or sanatorium physician.

(c) Every person conducting a hospital or sanatorium at which intoxicating liquor is administered to patients, or alcohol is issued to attendants for rubbing purposes on prescriptions of the hospital physician as above provided, is required to forward at the end of each month to the office of the Director one copy of each such prescription and to chronologically file the other copy at the hospital.

(d) Distilled spirits, wines, and alcoholic medicinal preparations fit for use for beverage purposes may not be sold or furnished to patients or other persons by persons conducting hospitals or sanatoriums, but may only be administered to patients upon the hospital premises in quantities necessary at the time of administering or, in the case of alcohol for rubbing purposes, issued to attendants in necessary quantities for such purposes.

(e) Alcohol may be obtained tax free by persons conducting hospitals for use for various purposes, as provided by Regulations No. 61.

(f) In filing application for permit to use intoxicating liquor as authorized in this section, persons conducting hospitals or sanatoriums should indicate the kinds of intoxicating liquor they desire to use, the exact purpose for which, and the manner in which they desire to use the same, and the maximum quantity to be held at any time.

SEC. 73. Use of intoxicating liquor in bona fide hospitals and sanatoriums engaged in the treatment of alcoholism.—Persons operating bona fide hospitals or sanatoriums engaged in the treatment of alcoholism may obtain distilled spirits and such alcoholic medicinal preparations fit for beverage purposes as are authorized to be manufactured by Article XI for use in the treatment of chronic alcoholism, but only where the tapering-off method is used or where the dosage is steadily reduced until the patient within a reasonable time, such as four weeks, has lost the craving for alcoholic stimulants. Such intoxicating liquor may be administered to patients only in necessary quantities and only under the direction of a duly qualified physician employed by the hospital or sanatorium.

(a) At such institutions three records shall be kept. The first record should contain the name of the patient with his place or residence, his age, the date of entry, the date of departure from the institution as cured, together with a statement of the condition for which he is to be treated. A serial number will be given to each patient when admitted.

(b) The second record shall show: (1) The name of the patient with the serial number assigned to him; (2) the condition for which treated; and (3) the amount of liquor administered at intervals during the period treated.

(c) Once a month a transcript of this record will be forwarded to the Director for the previous month, with the exception of the name, the appropriate serial number always being shown on the transcript for purposes of identification and comparison with the two records kept at the hospital or sanatorium.

(d) The third record shall contain the following data:

(1) The quantity and kind of liquor on hand first of month or date of inventory.

(2) The quantity received during the month.

(3) The quantity dispensed to patients by the tapering-off method.

(4) The quantity used in compounding tonics and other legitimate alcoholic compounds for use in the hospital or sanatorium during the month.

(5) The quantity on hand at the end of the month.

Once a month a transcript of this record for the previous month must be forwarded to the Director.

(e) The above records will be permanently kept open so long as the hospital or sanatorium is operated to inspection at all reasonable times by proper officers, and in case of a hospital or sanatorium discontinuing business the Director should be notified and he will then cause the records and supplies of liquor on hand to be examined. Federal officers should visit these establishments from time to time and make careful examination of the records of liquors on hand and check same and see that the law is being carefully complied with in all respects.

SEC. 74. Use of Intoxicating Liquor in First-Aid Treatment at Manufacturing and Industrial Establishments.—(a) Persons conducting manufacturing, industrial, or other establishments where the business is of such proportions and of such character as to justify the maintenance of a first-aid service for their employees, may administer distilled spirits and wines to their employees on their premises for medicinal purposes in cases of accident, shock, or other emergency, where the use of such intoxicating liquor is believed necessary, and delay in procuring the same through a retail pharmacist on a physicians's prescription may result in loss of life, aggravation of ailment, or intense suffering. Such intoxicating liquor may be admin-

istered only by a physician, nurse, or other person in charge of such first aid service station at the establishment in quantities believed necessary to afford relief at the time of administering and may not be sold or furnished to employees or any other persons.

(b) Establishments procuring intoxicating liquor for the use above stated must keep a record in duplicate and before the 10th of each month transmit one copy under oath, signed by the manager, to the Director showing transactions during the preceding month. This record must show the amount and kind of intoxicating liquor on hand on the 1st of the month, quantities and dates received, quantities and dates dispensed, the name of each person to whom dispensed, and the amount on hand at the end of the month. In case no intoxicating liquor is received or dispensed during any month, the record should so state, but must show the amount on hand, and be forwarded to the Director.

(c) In filing application for permit to use intoxicating liquor as above, the persons conducting such establishments should indicate the number of employees, the kind of intoxicating liquor to be used, and that the same will be administered to employees only in cases of emergency.

SEC. 75. Use of Alcohol by Dentists and Veterinarians.—Alcohol may be used by dentists in the practice of their profession for sterilizing purposes, annealing gold, or other like nonbeverage purposes. Alcohol may be used by veterinarians for any legitimate nonbeverage purpose in the course of their professional practice. The aggregate quantity of alcohol procured for the use of any one dentist or veterinarian for the purposes above authorized may not in any case exceed 6 quarts during any calendar year.

(a) In filing application for permit to use alcohol as above provided, dentists and veterinarians should state the purpose for which they desire to use the same.

SEC. 76. Laboratory, manufacturing, and technical use.—Alcohol may be used in quantities necessary for legitimate laboratory purposes, such as industrial, chemical, biological, bacteriological, and clinical, and in all manufacturing and technical processes and operations not specifically covered herein in which the use thereof is necessary, provided in each case that the use is strictly nonbeverage and is of such a nature as to effectually preclude diversion of the alcohol for other than authorized nonbeverage purposes.

(a) Owing to the varied nature and the multiplicity of the purposes referred to, it is not deemed expedient to attempt to enumerate the same and to specifically authorize the use of alcohol therein. Each such case will therefore be treated separately upon its own merits and where the Commissioner decides that the purpose for which it is desired to use alcohol is a nonbeverage purpose and that

the use of liquor for such purpose will not provide an easy means of diverting the alcohol to use for unauthorized purposes he will issue a permit therefor.

(b) In filing application for permits to use alcohol for the purposes in question, the applicant must state in detail the purpose for which it is to be used and the aggregate quantity to be held at any one time. General statements such as "for manufacturing or technical purposes" will not be accepted.

ARTICLE XIII.

PHYSICIANS PRESCRIBING INTOXICATING LIQUOR FOR MEDICINAL PURPOSES.

SEC. 77. Physicians who have filed applications on Form 1404, and obtained permits to prescribe intoxicating liquor, as provided in Article III, may prescribe distilled spirits, wines, or such alcoholic medicinal preparations which are fit for use for beverages as are authorized to be manufactured by section 60, for persons upon whom they are in attendance, if after careful physical examination of such persons, or in cases where such examination is impracticable upon the best information obtainable, the physician believes that the internal or external use of such liquor as a medicine by such persons is necessary and will afford relief to them from some known ailment. Physicians who do not hold permit as above may not issue prescriptions for intoxicating liquor.

(a) No prescription may be issued for a greater quantity of intoxicating liquor than is necessary for use as a medicine by the person for whom prescribed, and in no case may spirituous liquor in excess of 1 pint within any period of 10 days be prescribed for the same person by one or more physicians. Further, where spirituous liquor is being administered to any person by any physician or physicians as provided in section 71, the aggregate quantity so administered and the quantity prescribed for any such person may not exceed 1 pint within any period of 10 days. Physicians are not permitted to write prescriptions for liquor for their own use or to use any liquor procured upon prescriptions written by them. Intoxicating liquor procured upon prescriptions may only be used for medicinal purposes by the person for whom prescribed and may not be sold or otherwise disposed of.

(b) Prescriptions for intoxicating liquor may only be filled by a pharmacist. No prescription may be filled more than once.

(c) All prescriptions for intoxicating liquor must be made upon Form 1403 and must contain all the data called for by such form, except that in any case where a physician holding a permit to prescribe liquor is not in possession of such form, due to any reason justifying such condition, and delay in procuring the same might result

in loss of life, aggravation of an ailment, or intense suffering, he may prescribe intoxicating liquor upon a form other than Form 1403: *Provided, however*, That such form of prescription must contain all the information called for on Form 1403. Prescriptions for intoxicating liquor may not cover any other medicine or drug.

(d) Blank prescriptions, Form 1403, are issued by the Commissioner in book form, serially numbered, and may be procured free of cost by any physician holding a permit to prescribe intoxicating liquor from the Director. The Director should not issue more than one book of such prescription blanks to the same physician at one time. However, a physician may procure a book of blanks when the blanks remaining in the book in his possession are not sufficient to cover his needs for a reasonable period in advance.

(e) The prescription blanks issued by the Commissioner are printed with stubs attached, the stub of the blank being a duplicate thereof. All prescriptions for liquor on Form 1403, as well as those on other forms in emergency cases as above provided, must be written in duplicate, both copies to be signed by the physician and contain all the information required herein. In the case of prescriptions issued on Form 1403, the books containing the stubs or duplicate copies must be returned to the Director from whom secured immediately upon the last prescription blank contained therein being used, or earlier if so directed by the Commissioner or Director. Any unused, mutilated or defaced blanks remaining in the book must be returned therewith. In the case of prescriptions written on other forms in emergency cases, the duplicate copies thereof must be forwarded to the Director at the end of the month in which issued. In all cases blanks, Form 1403, must be used in the order of the serial numbers printed thereon.

(f) Every physician who prescribes intoxicating liquor is required to keep a record on book Form 1402 to be procured by him from the Director. The physician must keep a record alphabetically arranged of every prescription for intoxicating liquor issued by him, showing the date of the prescription, the amount and kind of liquor prescribed, the name of the patient to whom issued, the purpose or ailment for which prescribed, and the directions for use thereof, including the amount and frequency of the dose.

(g) The Director should keep a record, Form 1416, in duplicate, numerically arranged, covering all prescription books, Form 1403, received by him, showing the serial number of each book, the date received and the date issued by him, the name and address of the physician to whom issued, the number of permit to prescribe held by such physician, the date when returned, and any pertinent remarks relative to each book. Such record should contain entries of all books supplied to the Director which have not been issued by him and also all books issued by him which have not been returned.

One copy of such record should be forwarded to the Commissioner on or before the 20th day of the first month of each quarterly period of the calendar year covering all books received, issued, or returned by him during the preceding quarterly period, and all books previously supplied to him which have not been issued by him or returned to him.

(h) All returned books, Form 1403, should be numerically filed by the Director.

(i) The Director should check all copies of prescriptions returned to him for the purpose of determining whether or not any physician is violating the terms of the permit issued to him, or whether any person is procuring through one or more physicians excessive quantities of liquor.

ARTICLE XIV.

EXPORTATION AND IMPORTATION OF INTOXICATING LIQUOR FOR NONBEVERAGE PURPOSES.

SEC. 78. *Exportation.*—Intoxicating liquors authorized to be manufactured herein may be exported for nonbeverage purposes, including wines for sacramental purposes, except that liquids produced under the provisions of Article VI for conversion into nonalcoholic beverages may not be exported. In order to export such intoxicating liquor the owner must first file application for export on Form 1404 and obtain permit as required by Article III. Such permit to export when issued will continue in force for the calendar year, provided that is such permit is issued after August 31 of any year it will continue in force until the end of the following calendar year.

(a) In case the owner of the liquor is the proprietor of an industrial alcohol plant, winery, bonded warehouse, or storeroom, the permit to export may be included in the permit to manufacture intoxicating liquors required to be procured by Article IV or, in the case of an industrial alcohol plant, by Regulations No. 61.

(b) The owner of intoxicating liquor who has procured permit to export, Form 1405, must file with the proprietor of the premises from which the liquor is to be consigned to the Collector of Customs a certificate in duplicate in the following form:

(Date.)

(Name of permit number of consignor.)

(Address.)

The _____ covered by this order is to
(State kind and quantity of intoxicating liquor.)
be exported by the undersigned for nonbeverage purposes (or for sacramental purposes, if wines are so exported), this fact being established by the permanent records on file at the office of the undersigned.

(Name of exporter.)

(Address of exporter.)

(c) Where the premises from which the intoxicating liquor is to be consigned to the Collector of Customs are operated by the owner of such liquor who has obtained permit to export, he must nevertheless execute the above certificate in duplicate. Where such premises are operated by some person other than the owner of the liquors to be exported, such owner must furnish the proprietor of such premises with a certified copy of his permit to export, under oath, before such person is authorized to consign the liquor to the Collector of Customs.

(d) The proprietor of an industrial alcohol plant or bonded warehouse must attach the foregoing certificate, in duplicate, to his application on Form 206 for withdrawal of distilled spirits in bond for export, and the proprietor of a bonded winery or bonded storeroom must attach such certificate to Form 711. The Collector of Internal Revenue will retain in his files one copy of the certificate attached to Form 206 or Form 711, and he will forward one copy to the Commissioner of Internal Revenue. Proprietors of premises other than industrial alcohol plants, bonded warehouses, wineries or storerooms, from which tax-paid intoxicating liquor is consigned to the Collector of Customs for export must file one copy of such certificate together with and in the same manner as permits to purchase, Form 1410, covering all other shipments of intoxicating liquors and will forward the remaining copy to the Director, who will likewise file same with permits to purchase.

(e) Sufficient evidence to establish the exportation of such intoxicating liquor for nonbeverage purposes, or wines for sacramental purposes, in accordance with law or regulations, such as orders, cables quoting prices, accepting terms, contracts, correspondence, etc., will be preserved in his files at the address stated in the application for permit to export by the owner of the liquor and such records, in addition to all commercial records, will be open to inspection by Government officers at any reasonable hour.

(f) In the event intoxicating liquor is shipped for export and is actually in the custody of the Collector of Customs, and the owner is unable for any reason to export same, he may, without the necessity of receiving permit to purchase, Form 1410, sell such liquor for export to any other person who has a permit to export and who furnishes him with a copy of such permit verified under oath, in which event the person so selling the intoxicating liquor for export shall also require the certificate above set forth from the person purchasing for export and who actually exports same, but in such cases only one copy of the certificate need be furnished. The certificate and verified copy of the permit to export in such cases must be made part of his permanent record by the vendor, and the vendee

must keep on file the evidence mentioned in the preceding paragraph. The seller shall furnish a bill of sale in duplicate to the person purchasing for export, who shall forward the duplicate copy thereof to the Collector of Customs having custody of the liquor as his authority for permitting exportation by the new owner. The bill of sale should be in sufficient detail to make identification of the liquor to be exported certain.

(g) Where intoxicating liquor is shipped for export as above provided, the same must in every case be consigned by the person who receives the certificate above provided to the Collector of Customs at the port of export to be exported under his supervision, to whom also a duplicate copy of the permit to export, verified under oath, should be forwarded. The Collector of Customs will have custody of such liquor at the expense and risk of the owner from the time of delivery to him at such port until actually exported.

(h) No permits to purchase need be obtained and filed by a Collector of Customs to whom intoxicating liquor has been consigned for exportation as above provided.

(i) Intoxicating liquor may be exported free of internal-revenue tax or with benefit of drawback as provided by existing internal-revenue laws and regulations.

SEC. 79. Importation.—No person shall be permitted to enter at any customhouse or take delivery of any intoxicating liquors arriving in the United States without filing with the Collector of Customs the permits as hereinafter provided.

(a) Persons who have given bond and obtained permit to import and use or sell intoxicating liquor as provided in Article III may file three or more copies of application for permit to purchase, Form 1410, with the Director, who, after approving same, will return all copies to the applicant. When the applicant desires to withdraw the intoxicating liquor from Customs custody he must furnish the Collector of Customs at the port of importation with two copies of such permit to purchase. When the liquor has been imported the Collector of Customs will indorse such fact on each copy, forward one copy to the Director who approved the permit and file the remaining copy. The applicant will permanently file one of the remaining copies of such permit to purchase, and where transportation is involved will furnish the remaining copy or copies to the carrier or carriers as provided in Article XVI. The Collector of Customs will not allow intoxicating liquors to be released from Customs supervision except upon receipt of permit to purchase.

(b) The containers of such liquor must have affixed thereto immediately upon being released from customs supervision a label showing the following data:

(1) Name of importer.

(2) Number of permit authorizing the importation.

(3) Kind, quantity, and proof of contents.

(4) Date of importation.

(c) These labels will be subject to all the regulations contained in Article XVIII, and such intoxicating liquor, when imported, is subject to all the regulations covering other intoxicating liquor.

ARTICLE XV.

LAWFUL POSSESSION OF INTOXICATING LIQUOR.

SEC. 80. All persons holding permits under these regulations to manufacture, sell, rectify, use, or transport intoxicating liquor are authorized to possess intoxicating liquor lawfully manufactured or procured by them for the purpose and at the places designated in their respective permits.

(a) Intoxicating liquor may not be possessed by persons not holding permits under these regulations or by persons holding such permits for other purposes or at other places than authorized in their respective permits, except that intoxicating liquor lawfully procured by the owner thereof prior to January 17, 1920, for beverage purposes may be possessed in the private dwelling of such owner where the same is occupied by him solely as his residence or place of abode, without the necessity of his holding a permit, provided such liquor is for use only for the personal consumption of such owner and his family residing in such dwelling and of his bona fide guests when entertained by him therein. The room or rooms used and occupied by any person, not transiently but solely as his residence or place of abode, in an apartment house, hotel, or boarding house, including a locker or lockers in such apartment house, hotel, or boarding house over which the person occupying the room or rooms therein has complete control and which are used exclusively for storage purposes are held to constitute his private dwelling.

(b) Any person who legally possesses intoxicating liquor in his private dwelling as above set forth and changes his permanent residence or abode may have such liquor transported to his new permanent residence upon obtaining from the Director permit on Form 1410, modified to show that it is authority to ship the kind and quantity of liquor indicated thereon to such new residence. Such permit should be executed in duplicate and, if transportation is involved, one or two extra copies should be made for furnishing to the carrier or carriers at point of destination as provided in Article XVI. The person obtaining such permit should preserve one copy thereof and the Director will retain one copy in his files.

(c) Where any person, who does not hold permit issued by the Commissioner of Internal Revenue or Federal Prohibition Commissioner entitling him to possess intoxicating liquor under these regulations, possesses on January 17, 1920, intoxicating liquor law-

fully procured by him prior to such date, other than in his private dwelling for personal consumption as provided above, he must on or before January 27, 1920, obtain permit to use, sell, or export such intoxicating liquor in the manner provided herein. Unless such permit is obtained prior to January 27, 1920, no property rights shall exist in such liquor and the same may be seized and forfeited and the owner prosecuted for violation of the act.

(d) All persons who are permitted to have intoxicating liquor in their possession (other than those authorized to possess liquor for beverage consumption in their private dwellings as above provided) are required on or before January 27, 1920, to furnish to the Director a report on Form 1406, stating the kind and amount of intoxicating liquor in their possession and the places at which such liquor is possessed. This form should be filled out in duplicate, and one copy retained on the premises.

ARTICLE XVI.

TRANSPORTATION OF INTOXICATING LIQUOR.

SEC. 81. Any person engaged in the business of transportation, such as a common carrier, railroad, or express company, steamship line, baggage or transfer company, in order to lawfully transport intoxicating liquor for the purposes authorized by these regulations, must make application on Form 1404 to the Director for the State in which located in the manner provided by Article III and secure permit on Form 1405: *Provided, however*, That the Director General of Railroads may make application to the Federal Prohibition Commissioner and obtain permit to cover the transportation of liquor by all railroads under the control of the United States Railroad Administration until such time as such railroads are returned to private ownership, when it will be necessary that they file applications and obtain permits as above. Foreign corporations or persons engaged in transportation within the United States must make application for permit to the Federal Prohibition Commissioner at Washington. Such applications should be made on Form 1404, which should be executed as provided in Article III.

SEC. 82. Only one application need be filed and one permit obtained by any railroad or express company or other like common carrier to cover the transportation of intoxicating liquor over any line or lines operated by it. In such case the application should be filed by the applicant with the Director of the State in which the principal office is located and upon issuance of permit the same should be permanently filed at the principal office and all branch offices notified by the applicant of the issuance of the permit and of the serial number thereof.

SEC. 83. All permits authorizing the delivery or procurement of intoxicating liquor confer upon the permittee the right to have same transported by a carrier holding a permit to transport, or to transport such liquor by any method of delivery, from persons from whom he is authorized to receive such liquor or to persons to whom he is authorized to deliver the same at the place of business stated in the form of permit to purchase or application covering the shipment.

SEC. 84. Any person entitled to possess intoxicating liquor for nonbeverage purposes may have any liquor which he possesses transported from one place of business to another place of business covered by a permit held by him. Any person who legally possesses intoxicating liquor in his private dwelling under the conditions set forth in Article XV, and changes his permanent residence may have such liquor transported to his new permanent residence.

(a) Any person desiring to have liquor transported from one location to himself at another location as above should procure a special permit on Form 1410, modified to show that it is authority to have the kind and quantity of liquor stipulated shipped to the address indicated thereon, and may then deliver or transport such liquor or have same transported to such new location, as provided in Section 82. A copy of such permit should be preserved by the permittee, and in cases where the liquor is transported by a person or persons holding permit to transport liquor verified copy or copies should be surrendered to the carrier or carriers at the point of destination as authority to deliver the same. The Director issuing the permit should retain a copy thereof for his files.

SEC. 85. No person shall transport intoxicating liquor, nor shall any person receive any liquor from any person transporting same, unless the package containing such liquor bears a label containing, where applicable, the following information:

- (1) Name, address, and permit number of the consignor.
- (2) Name and address of the consignee and number of permit to purchase held by him.
- (3) Kind and quantity of liquor contained therein.

SEC. 86. All persons holding permits to transport intoxicating liquor are required to keep a record in book form at the point of shipment, containing, in so far as applicable, the following information covering each package of liquor received by them for transportation:

- (1) Name, address, and permit number of the consignor.
- (2) Name and address of the consignee and number of permit to purchase held by him.
- (3) Kind and quantity of liquor contained in package.
- (4) Date of shipment.

(a) Where the person transporting intoxicating liquor is a railroad, express company, or other common carrier, he may, upon re-

ceipt of a package containing liquor, issue a bill of lading or express receipt, etc., in duplicate, the information specified above to be entered thereon in such manner as to insure legibility and permanency, the original of which bill of lading, express receipt, etc., is to be given to the consignor or his agent. The duplicate copy, if retained by the carrier and kept by him in a binder or file separate from other records, will answer the above requirement as to records.

SEC. 87. Persons holding permits to transport intoxicating liquor are authorized to deliver liquor transported by them at the point of destination only to the consignee named and only upon receipt from him of copy of form of permit to purchase, Form 1410, verified under oath, except that in the case of liquor shipped to the United States Customs authorities for exportation or to any other department or agency of the United States Government the same may be delivered by the person transporting it without the necessity of receiving copy of permit to purchase. Where wines for sacramental purposes are transported the same may be delivered to the consignee upon receipt from him of copy of application, Form 1412, duly approved, in lieu of copy of permit to purchase, and in the case of intoxicating liquor shipped to a physician of the homeopathic or eclectic school who has on file with the person transporting same a copy of a blanket permit to purchase, Form 1410, verified under oath, stipulating the quantity of liquor such physician is authorized to receive during a given period of time from a pharmacist designated therein, deliveries may be made to such physician of individual quantities of intoxicating liquor transported by such carrier without the necessity of receiving a copy of permit to purchase covering each individual shipment. The responsibility of seeing that the total quantity received by such physician during any given period of time does not exceed the quantity indicated on his permit rests with the physician and the pharmacist authorized to make sales to him, and not upon the person transporting the liquor.

(a) Verification of permits to purchase may be sworn to before the common carrier transporting intoxicating liquor or his agent or before any other person authorized by law to administer oaths generally.

(b) Where the consignee is other than a natural person a certain agent must be especially designated in writing to receive shipments of liquor consigned to it and the person transporting liquor must receive a copy of such designation before delivering the liquor to such agent. Where the consignee is a natural person the liquor must be delivered to him personally, unless he furnishes the carrier with an affidavit to the effect that it is impracticable for him to receive the liquor personally and designating some certain agent to receive the same for him, in which event the carrier may deliver the liquor to such agent.

(c) In no case should intoxicating liquor be delivered to a consignee or his agent unless he is personally known to the carrier or his agent or is identified by some other person known to such carrier or agent.

SEC. 88. Every person holding a permit to transport intoxicating liquor is required to permanently file, at the point of destination in a file or binder separate from other records, a copy of each form of permit to purchase or application upon which liquor is delivered by him, upon which copy should be noted the date when the liquor was delivered, and, in cases where delivered to an agent of the consignee, the name and address of such agent. Where the consignee has been identified to the carrier or his agent by some other person, the name and address of such other person should also appear on the copy of the permit to purchase or application.

(a) In cases where, under authority of these regulations, intoxicating liquor is delivered to a department or agency of the United States Government without the necessity of receiving copy of form of permit to purchase or application, the person transporting the liquor should procure a receipt from such consignee, which receipt should show the name and address of the consignor and of the consignee, the kind and quantity of liquor in the shipment, the date of delivery, and the name of the person receiving the liquor as agent for such consignee, and should be filed by the carrier in the file or binder containing copies of permits to purchase and applications covering other deliveries of intoxicating liquor.

(b) A copy of any affidavit or designation authorizing the delivery of liquor to an agent of any consignee should also be kept in such file or binder.

SEC. 89. The transportation of any one shipment of intoxicating liquor by two or more persons holding permit to transport liquor, or over more than one line or railroad, will be regarded as constituting one continuous act of transportation, and the records provided by this article must be kept only at the point of original shipment and at the point of ultimate destination, the regular commercial records of the carriers at the point or points of transfer being regarded as sufficient to identify the shipment and to cover the transfer thereof.

(a) This provision does not apply, however, to such cases as the local transportation of liquor to or from the station of a common carrier by another person holding a permit to transport intoxicating liquor, and in such cases, in addition to the records required to be kept at the point of shipment and of destination by the carrier to whom he delivers the liquor or from whom he receives same, such local carrier must keep the record provided by section 85 covering all shipments of liquor delivered by him to a carrier for further transportation, including entry thereon of the name of such carrier,

and, in the case of deliveries of liquor by him from the station of a carrier, must keep a file as provided by section 87, containing a copy of a form of permit to purchase, application or receipt covering each delivery of liquor by him, upon which copy, in addition to the data required by section 87, should be noted the name of the carrier from whom he received such liquor.

SEC. 90. In any case where intoxicating liquor was legally shipped for nonbeverage purposes prior to January 17, 1920, consigned to a person holding a permit issued by the Commissioner of Internal Revenue entitling him to receive such liquor, and is not delivered to the consignee on or before that date, such liquor may be delivered to him by the person transporting the same under the conditions and requirements provided for deliveries of liquor shipped on and after January 17, 1920.

(a) In any case where intoxicating liquor was legally shipped prior to January 17, 1920, for beverage purposes, for domestic use, or for export, and is not delivered to the consignee on or before such date, the consignor and consignee should be immediately notified by the carrier that such liquor is in his possession and can not be delivered except for nonbeverage purposes under the procedure herein provided.

(b) The owner of such liquor may, upon making application as provided in Article III, obtain permit to sell, use, or export the same for nonbeverage purposes as authorized by these regulations, after which he may procure from the Director a form to permit to purchase in duplicate covering such liquor, an extra copy of which should be retained by the Director for his files. Upon presentation of a duly verified copy of such form of permit to purchase to the carrier, the liquor may under the procedure provided in this article be delivered to the owner thereof to be disposed of by him in the manner authorized by his permit. Unless the owner of such liquor obtains permit to sell, use, or export the same, no property rights shall exist in such liquor, and the same may be seized and forfeited and the owner prosecuted for violation of the act.

(c) In order for any intoxicating liquor shipped prior to January 17, 1920, to be delivered on or after such date, as provided above, it is necessary that the packages containing such liquor be labeled as required by section 84 covering packages of liquor shipped on or after January 17, 1920.

(d) All carriers having intoxicating liquor in their possession on January 17, 1920, are required on or before January 27, 1920, to furnish the Director with an inventory of such liquor on Form 1406, which may be procured by them from the Director.

SEC. 91. Where intoxicating liquor transported by any person is not delivered to the consignee and remains in the possession of the

carrier, due to any legitimate reason such as failure of the consignee to claim the same or failure to pay the shipping charges thereon, such liquor may be retransported and returned to the consignor upon receipt from him of form of permit to purchase and compliance with the other requirements of this article, or the person transporting such liquor may, under the procedure provided in Article III, procure permit to sell the same and may then sell or furnish such liquor in quantities of 5 gallons or more at the same time under the conditions prescribed for other wholesale dealers in intoxicating liquor. Form of permit to purchase covering the return of any such liquor to the consignor, modified to convey authority therefor, should be procured from the Director in duplicate, one copy to be filed by the consignor. The Director issuing such permit should retain the triplicate copy thereof for his files. Proper entry should be made on the records kept by the carrier to show that such liquor was not delivered to the consignee and to cover the return or sale thereof.

SEC. 92. The act makes it unlawful for any person to use or induce any carrier or any agent or employee thereof to carry or ship any package or receptacle containing liquor without notifying the carrier of the true nature and character of the shipment.

(a) It is unlawful for any consignee to accept or receive any package containing liquor upon which appears a statement known to him to be false, or for any carrier or other person to consign, ship, transport, or deliver any such package knowing such statement to be false.

(b) It is unlawful to give to any carrier or any officer, agent, or person acting or assuming to act for such carrier, an order requiring the delivery to any person of any liquor or package containing liquor consigned to, or purporting or claimed to be consigned to a person, when the purpose of the order is to enable any person not an actual bona fide consignee to obtain such liquor.

(c) The Commissioner, any of his inspectors or agents, or any officer of the law, shall seize any intoxicating liquor discovered by him being transported in violation of the act, together with the vehicle in which the same is being transported, and shall arrest the person in charge of such vehicle.

(d) In case of the sale of liquor where the delivery thereof is made by a common or other carrier, the sale and delivery shall be deemed to be made in the county or district wherein the delivery was made by such carrier to the consignee, his agent or employee, or in the county or district wherein the sale was made or from which the shipment was made, and prosecution for such sale or delivery may be had in any such county or district.

(e) It is anticipated that all persons holding permits to transport intoxicating liquor will cooperate with the Federal authorities in the

enforcement of the act and of these regulations, and to that end will report to Directors any violations thereof coming to their notice.

SEC. 93. The provisions of this article do not apply in any respect to the continuous transportation of intoxicating liquor under United States Customs supervision and under bond through the United States from one foreign country to the same or another foreign country.

ARTICLE XVII.

SALE AND USE OF MEDICINAL PREPARATIONS AND OTHER ALCOHOLIC COMPOUNDS.

SEC. 94. All preparations which are unfit for use as beverages or for intoxicating beverage purposes, in the manufacture of which the use of intoxicating liquor is authorized, may be sold in good faith and used for any legitimate nonbeverage purpose without the necessity of obtaining permit under these regulations except as hereinafter provided. Such preparations may not be sold for beverage purposes or under circumstances from which the seller may reasonably deduce an intention on the part of the purchaser to use for such purposes.

(a) Jamaica ginger may not be sold by a retail druggist or other person to a consumer in quantities exceeding 1 or 2 ounces at one time except that in unusual circumstances the consumer may file application on Form 1404 without bond and obtain permit on Form 1405 to purchase such preparation in greater quantities and may then procure the same in the quantity indicated in his permit on furnishing permit to purchase on Form 1410 under the procedure provided by Article VIII.

(b) Persons desiring to procure alcohol medicated in accordance with any one of the seven formulæ set forth in Article XI in quantities in excess of 1 pint for any legitimate external purpose from wholesale or retail druggists qualified to medicate the same may file application on Form 1404, without bond, and obtain permit on Form 1405, and may then procure such medicated alcohol in necessary quantities upon furnishing permits to purchase on Form 1410 under the procedure outlined in Article VIII.

(c) If it should appear at any time that any person has sold any flavoring extract or sirup for intoxicating beverage purposes, or has sold any beverage containing one-half of 1 per cent or more of alcohol by volume in which any extract, sirup, or other article has been used as an ingredient, the Commissioner shall give such person notice to appear before some agent designated by him, and, if the said person fails to show to the satisfaction of the Commissioner that he has not illegally sold such flavoring extract, sirup, or beverage, he will be notified by the Commissioner to desist from selling such article.

(d) It shall thereupon be unlawful for such person, for a period of one year after receipt of such notification by the Commissioner, to sell any such flavoring extract, sirup, or beverage, provided, however, that upon such person filing application on Form 1404, accompanied by bond in the penal sum of \$5,000, unless the Commissioner requires a greater penal sum in any special case, he may secure a permit on Form 1405 to sell any such flavoring extract or sirup for nonbeverage purposes, or any beverage containing less than one-half of 1 per cent of alcohol by volume in which such extract or sirup is used as an ingredient.

(e) Any person holding such a permit to sell any flavoring extract, sirup, or beverage must keep a record and make entry therein showing the quantity and name of any such article received by him, the date on which and the person from whom received, and the date on which and the person to whom or the manner in which the same was sold or disposed of by him, and the quantity of such preparation so disposed of.

ARTICLE XVIII.

LABELS.

SEC. 95. Except where otherwise stated herein all labels required by these regulations must be provided by the person required to affix them, bear the date when affixed by him, be rectangular in form, and of such size as to be conspicuous. These labels must be printed in the English language in letters easily legible and must contain no advertising matter or other data not required by these regulations except that translations of the data required to be printed may also be printed thereon in any foreign language.

(a) All such labels must be securely pasted to the commercial head of barrels or in a conspicuous place on the surface of other containers and, in the case of wooden containers, must be secured thereto by five tacks, one in each corner and one in the middle of the label.

(b) All labels required by these regulations must remain intact until the containers are completely empty. No person is therefore at liberty to substitute his own label for any such label or to cover or deface the same in any manner whatever.

(c) All persons are forbidden to transfer intoxicating liquor from one container to another, whether or not rectified or otherwise treated in the interval, without placing a label upon the new container in the same manner and containing the same data as the label upon the container from which transferred. This requirement does not apply to containers holding 1 pint or less, except in the case of labels especially provided for bottled-in-bond whisky and brandy, medicated alcohol, certain medicinal preparations, and other alcoholic compounds, and beverages containing less than one-half of 1 per cent of alcohol by volume produced under Article VI.

ARTICLE XIX.

RECORDS.

SEC. 96. All records and files required by these regulations must be kept in such a manner as to insure permanency and will be subject to inspection at any reasonable hour by the Commissioner or any of his agents, as well as by any public prosecutor or person designated by him or by any peace officer of the State where the same are kept. They should therefore be kept in such a place as to be readily accessible for inspection at any reasonable hour.

(a) If at any time the Commissioner or Director shall so require, verified copies of any such records must be furnished him by the person keeping the same, and the Director is instructed to call for copies of such records from time to time for examination by him whenever such action appears necessary in order to determine whether any particular permittee is complying with the terms of his permit.

ARTICLE XX.

ADVERTISEMENT AND PROHIBITED FORMULA, ETC.

SEC. 97. Section 17 of the act provides as follows:

It shall be unlawful to advertise anywhere, or by any means or method, liquor, or the manufacture, sale, keeping for sale or furnishing of the same, or where, how, from whom, or at what price the same may be obtained. No one shall permit any sign or billboard containing such advertisement to remain upon one's premises. But nothing herein shall prohibit manufacturers and wholesale druggists holding permits to sell liquor from furnishing price lists, with description of liquor for sale, to persons permitted to purchase liquor, or from advertising alcohol in business publications or trade journals circulating generally among manufacturers of lawful alcoholic perfumes, toilet preparations, flavoring extracts, medicinal preparations, and like articles: *Provided, however,* That nothing in this act or in the act making appropriations for the Post Office Department, approved March 3, 1917 (Thirty-ninth Statutes at Large, Part 1, page 1058, et seq.), shall apply to newspapers published in foreign countries when mailed to this country.

(a) The above section does not prohibit persons holding permits to sell wines for sacramental purposes or like religious rites from furnishing price lists of such wines which they have for sale to rabbis, ministers of the gospel, priests, or other church officials of religious bodies using wines for such purposes; nor does it prohibit the advertisement of wines for such purposes in religious publications.

(b) Authorized manufacturers and wholesale druggists holding permits under these regulations are permitted to furnish descriptions of intoxicating liquor which they have for sale, together with the selling prices thereof, to persons qualified under these regulations to purchase the same, and to advertise *alcohol* in business

publications or trade journals circulating generally among authorized manufacturers of alcoholic preparations.

(c) The above section is held to repeal section 3279, Revised Statutes, requiring distillers, rectifiers, and wholesale liquor dealers to keep conspicuously on the outside of their places of business signs reading, respectively, "Registered Distillery," "Rectifier of Spirits," and "Wholesale Liquor Dealer," and such persons may not, therefore, allow any such signs to remain upon their premises. Signs reading "Bonded Winery" and other similar signs are also forbidden, and any provision of law or regulations requiring such signs are regarded as superseded.

(d) Such section is not, however, regarded as affecting the requirements of section 3239, Revised Statutes, that special tax stamp be posted by wholesale and retail liquor dealers, brewers, and rectifiers, and such persons must post their special tax stamps as heretofore.

SEC. 98. Section 18 of the act reads as follows:

It shall be unlawful to advertise, manufacture, sell, or possess for sale any utensil, contrivance, machine, preparation, compound, tablet, substance, formula direction, or receipt advertised, designed, or intended for use in the unlawful manufacture of intoxicating liquor.

(a) The above section should not be construed as prohibiting the advertisement, manufacture, sale, or possession for sale of distilling apparatus or other apparatus designed and intended for use in the *authorized* manufacture of intoxicating liquor or for other legitimate purposes, such as the distillation of water or similar laboratory uses.

SEC. 99. Section 19 of the act provides as follows:

No person shall solicit or receive, nor knowingly permit his employee to solicit or receive, from any person any order for liquor or give any information of how liquor may be obtained in violation of this act.

ARTICLE XXI.

SPECIAL TAXES.

SEC. 100. Special tax as retail or wholesale liquor dealer is required to be paid by all persons who sell or offer for sale intoxicating liquor as defined in Article I, not including, however, fermented liquors such as cider which are not properly classifiable as wine or fermented malt liquor, regardless of the purpose for which or the manner in which sold, unless otherwise expressly exempted.

(a) No special tax liability is incurred by physicians, or by persons conducting hospitals, sanatoriums, or manufacturing and industrial or other establishments, on account of administering intoxicating liquor in cases of emergency in the manner provided by these regulations.

(b) Where alcoholic preparations, unfit for use as beverages or for intoxicating beverage purposes which are authorized to be manu-

factured by these regulations, are sold for intoxicating beverage purposes or under circumstances from which an intent to use for such purposes might be deduced by the seller, special tax liability as liquor dealer is incurred.

(c) Alcoholic medicinal preparations or other alcoholic compounds which are fit for use as beverages may not be lawfully manufactured or sold unless specifically authorized in these regulations, but if illegally manufactured and sold, special tax liability as rectifier and liquor dealer is incurred.

(d) Alcohol medicated by wholesale or retail druggists or pharmacists in accordance with the formulæ recited in section 61, may be sold in good faith for other than internal use under the limitations herein prescribed, without causing special tax liability as liquor dealer to attach.

(e) No special tax liability as liquor dealer is incurred on account of the sale of warehouse certificates covering distilled spirits in Government bonded warehouses.

(f) Attention is called to paragraph 12, section 1001, of the Revenue Act of 1918, which imposes an additional special tax of \$1,000 per annum on persons who carry on the business of distiller, brewer, wholesale liquor dealer, retail liquor dealer, wholesale dealer in malt liquors, retail dealer in malt liquors, or manufacturer of stills, in places where prohibited by State, local or municipal laws.

ARTICLE XXII.

PENALTIES AND FORFEITURES.

SEC. 101. Any person who manufactures or sells liquor in violation of Title II of the Act shall, for a first offense, be fined not more than \$1,000 or imprisoned not exceeding six months, and for a second or subsequent offense shall be fined not less than \$200 nor more than \$2,000 and be imprisoned not less than one month nor more than five years.

(a) Any person violating the provisions of any permit, or who makes any false record, report, or affidavit required by Title II or by these regulations, or who violates any of the provisions of Title II or these regulations, for which a special penalty is not prescribed, shall for a first offense be fined not more than \$500; for a second offense not less than \$100 nor more than \$1,000, or be imprisoned not more than 90 days; and for any subsequent offense be fined not less than \$500, and be imprisoned not less than three months nor more than two years.

(b) Any room, house, building, boat, vehicle, structure, or place where intoxicating liquor is manufactured, sold, kept, or bartered, in violation of Title II or of these regulations, and all intoxicating liquor and property kept and used in maintaining the same, is de-

clared to be a common nuisance, and the persons maintaining such nuisance are guilty of a misdemeanor, and upon conviction shall be fined not more than \$1,000 or imprisoned for not more than one year, or both.

(c) If any person has knowledge or reason to believe that his room, house, building, boat, vehicle, structure, or place is occupied or used for the manufacture or sale of liquor contrary to the provisions of Title II or of these regulations, and suffers the same to be so occupied or used, such room, house, building, boat, vehicle, structure, or place shall be subject to a lien for and may be sold to pay all fines and costs assessed against the person guilty of such nuisance or violation.

(d) Any person who shall, with intent to effect a sale of liquor by himself, his employee, servant, or agent, for himself or any person, company, or corporation, keep or carry around on his person, or in a vehicle or other conveyance whatever, or leave in a place for another to secure, any liquor, or who shall travel to solicit, or solicit, or take, or accept orders for the sale, shipment or delivery of liquor in violation of Title II, is guilty of a nuisance.

(e) Action in equity may be brought in the name of the United States by the Attorney General of the United States, or by any United States Attorney, or any prosecuting attorney of any State or any subdivision thereof, or by the Commissioner of Internal Revenue or his deputies or assistants, to enjoin any nuisance defined under Title II, and the act provides for the issuance of temporary and permanent writs of injunction and restraining orders in cases where a nuisance is found by the court to exist.

(f) Where any injunction, temporary or permanent, granted pursuant to Title II, is violated, the court or, in vacation, the judge thereof, may summarily try the person who violated such injunction and, upon such person being found guilty of contempt, he shall be punished by a fine of not less than \$500 nor more than \$1,000, or by imprisonment of not less than 30 days nor more than 12 months, or by both fine and imprisonment.

(g) It is unlawful to have or possess any liquor or property designed for the manufacture of liquor intended for use in violating Title II or which has been so used, and no property rights shall exist in any such property. Where it is found that any such liquor or property has been unlawfully held or possessed, or unlawfully used, the same shall be destroyed unless the court shall otherwise order.

(h) Search warrants may issue to search any premises or place, except a private dwelling occupied as such, unless used in part for some business purpose or the unlawful sale of liquor.

(i) If the Commissioner, his assistants, inspectors, or any officer of the law shall discover any person in the act of illegally transport-

ing intoxicating liquor in any wagon, buggy, or automobile, water or air craft, or other vehicle, he shall seize the intoxicating liquors being transported and shall also take possession of the vehicle and arrest any person in charge thereof. Upon conviction of the person so arrested, the court shall order disposition of the liquor and property seized.

(j) Any violation of Title II upon any leased premises by the lessee or occupant thereof, shall, at the option of the lessor, work a forfeiture of the lease.

(k) If any person shall be injured in person, property, means of support, or otherwise by any intoxicated person or by reason of the intoxication of any person, he shall have a right of action against any person who shall have caused or contributed to such intoxication, and shall be entitled to recover actual and exemplary damages.

(l) In any action concerning the possession of intoxicating liquor the burden of proof shall be upon the possessor to prove that the same was lawfully acquired, possessed, and used.

(m) Upon evidence of any illegal manufacture or sale of any intoxicating liquor, a tax shall be assessed and collected from the person responsible for such illegal manufacture or sale, in double the amount provided by existing internal-revenue laws, with an additional penalty of \$500 on retail dealers and \$1,000 on manufacturers.

(n) The Commissioner, with the approval of the Secretary of the Treasury, may compromise any civil liability incurred under Title II, before action in court has been commenced, and, with the approval of the Attorney General, may compromise any such liability after commencement of action. Criminal liability incurred under Title II may not, however, be compromised.

(o) The above penalties and forfeitures are in addition to all penalties, forfeitures, and taxes imposed by existing internal-revenue laws on the manufacture and sale of intoxicating liquor, stills, etc.

JOHN F. KRAMER,
Federal Prohibition Commissioner.

DANIEL C. ROPER,
Commissioner of Internal Revenue.

Approved January 16, 1920.

CARTER GLASS, *Secretary.*

APPENDIX.

EIGHTEENTH AMENDMENT TO THE CONSTITUTION OF THE UNITED STATES.

SECTION 1. After one year from the ratification of this article the manufacture, sale, or transportation of intoxicating liquors within, the importation thereof into, or the exportation thereof from the United States and all territory subject to the jurisdiction thereof for beverage purposes is hereby prohibited.

SEC. 2. The Congress and the several States shall have concurrent power to enforce this article by appropriate legislation.

SEC. 3. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures of the several States, as provided in the Constitution, within seven years from the date of the submission hereof to the States by the Congress.

[PUBLIC—No. 66—66TH CONGRESS.]

[H. R. 6810.]

AN ACT To prohibit intoxicating beverages, and to regulate the manufacture, production, use, and sale of high-proof spirits for other than beverage purposes, and to insure an ample supply of alcohol and promote its use in scientific research and in the development of fuel, dye, and other lawful industries.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the short title of this Act shall be the "National Prohibition Act."

TITLE I.

TO PROVIDE FOR THE ENFORCEMENT OF WAR PROHIBITION.

The term "War Prohibition Act" used in this Act shall mean the provisions of any Act or Acts prohibiting the sale and manufacture of intoxicating liquors until the conclusion of the present war and thereafter until the termination of demobilization, the date of which shall be determined and proclaimed by the President of the United States. The words "beer, wine, or other intoxicating malt or vinous liquors" in the War Prohibition Act shall be hereafter construed to mean any such beverages which contain one-half of one per centum or more of alcohol by volume: *Provided*, That the foregoing definition shall not extend to dealcoholized wine nor to any beverage or liquid

produced by the process by which beer, ale, porter or wine is produced, if it contains less than one-half of 1 per centum of alcohol by volume, and is made as prescribed in section 37 of Title II of this Act, and is otherwise denominated than as beer, ale, or porter, and is contained and sold in, or from, such sealed and labeled bottles, casks, or containers as the commissioner may by regulation prescribe.

SEC. 2. The Commissioner of Internal Revenue, his assistants, agents, and inspectors, shall investigate and report violations of the War Prohibition Act to the United States attorney for the district in which committed who shall be charged with the duty of prosecuting, subject to the direction of the Attorney General, the offenders as in the case of other offenses against laws of the United States; and such Commissioner of Internal Revenue, his assistants, agents, and inspectors may swear out warrants before United States commissioners or other officers or courts authorized to issue the same for the apprehension of such offenders, and may, subject to the control of the said United States attorney, conduct the prosecution at the committing trial for the purpose of having the offenders held for the action of a grand jury.

SEC. 3. Any room, house, building, boat, vehicle, structure, or place of any kind where intoxicating liquor is sold, manufactured, kept for sale, or bartered in violation of the War Prohibition Act, and all intoxicating liquor and all property kept and used in maintaining such a place, is hereby declared to be a public and common nuisance, and any person who maintains or assists in maintaining such public and common nuisance shall be guilty of a misdemeanor, and upon conviction thereof shall be fined not less than \$100 nor more than \$1,000, or be imprisoned for not less than thirty days or more than one year, or both. If a person has knowledge that his property is occupied or used in violation of the provisions of the War Prohibition Act and suffers the same to be so used, such property shall be subject to a lien for, and may be sold to pay, all fines and costs assessed against the occupant of such building or property for any violation of the War Prohibition Act occurring after the passage hereof, which said lien shall attach from the time of the filing of notice of the commencement of the suit in the office where the records of the transfer of real estate are kept; and any such lien may be established and enforced by legal action instituted for that purpose in any court having jurisdiction. Any violation of this title upon any leased premises by the lessee or occupant thereof shall, at the option of the lessor, work a forfeiture of the lease.

SEC. 4. The United States attorney for the district where such nuisance as is defined in this Act exists, or any officer designated by him or the Attorney General of the United States, may prosecute a suit in equity in the name of the United States to abate and enjoin the same. Actions in equity to enjoin and abate such nuisances may be brought in any court having jurisdiction to hear and determine equity causes. The jurisdiction of the courts of the United States under this section shall be concurrent with that of the courts of the several States.

If it be made to appear by affidavit, or other evidence under oath, to the satisfaction of the court, or judge in vacation, that the nuisance complained of exists, a temporary writ of injunction shall forthwith issue restraining the defendant or defendants from conducting or permitting the continuance of such nuisance until the conclusion of the trial. Where a temporary injunction is prayed for, the court may issue an order restraining the defendants and all other persons from removing or in any way interfering with the liquor or fixtures, or other things used in connection with the violation constituting the nuisance. No bond shall be required as a condition for making any order or

issuing any writ of injunction under this Act. If the court shall find the property involved was being unlawfully used as aforesaid at or about the time alleged in the petition, the court shall order that no liquors shall be manufactured, sold, bartered, or stored in such room, house, building, boat, vehicle, structure or places of any kind, for a period of not exceeding one year, or during the war and the period of demobilization. Whenever an action to enjoin a nuisance shall have been brought pursuant to the provisions of this Act, if the owner, lessee, tenant, or occupant appears and pays all costs of the proceedings and files a bond, with sureties to be approved by the clerk of the court in which the action is brought, in the liquidated sum of not less than \$500 nor more than \$1,000, conditioned that he will immediately abate said nuisance and prevent the same from being established or kept therein a period of one year thereafter, or during the war and period of demobilization, the court, or in vacation the judge, may, if satisfied of his good faith, direct by appropriate order that the property, if already closed or held under the order of abatement, be delivered to said owner, and said order of abatement canceled, so far as the same may relate to said property; or if said bond be given and costs therein paid before judgment on an order of abatement, the action shall be thereby abated as to said room, house, building, boat, vehicle, structure, or place only. The release of the property under the provisions of this section shall not release it from any judgment, fine, penalty, or liability to which it may be subject by law.

In the case of the violation of any injunction, temporary or permanent, granted pursuant to the provisions of this Title, the court, or in vacation a judge thereof, may summarily try and punish the defendant. The proceedings for punishment for contempt shall be commenced by filing with the clerk of the court from which such injunction issued information under oath setting out the alleged facts constituting the violation, whereupon the court or judge shall forthwith cause a warrant to issue under which the defendant shall be arrested. The trial may be had upon affidavits, or either party may demand the production and oral examination of the witness. Any person found guilty of contempt under the provisions of this section shall be punished by a fine of not less than \$500 nor more than \$1,000, or by imprisonment of not less than thirty days nor more than twelve months, or by both fine and imprisonment.

SEC. 5. The Commissioner of Internal Revenue, his assistants, agents, and inspectors, and all other officers of the United States whose duty it is to enforce criminal laws, shall have all the power for the enforcement of the War Prohibition Act or any provisions thereof which is conferred by law for the enforcement of existing laws relating to the manufacture or sale of intoxicating liquors under the laws of the United States.

SEC. 6. If any section or provision of this Act shall be held to be invalid, it is hereby provided that all other provisions of this Act which are not expressly held to be invalid shall continue in full force and effect.

SEC. 7. None of the provisions of this Act shall be construed to repeal any of the provisions of the "War Prohibition Act," or to limit or annul any order or regulation prohibiting the manufacture, sale, or disposition of intoxicating liquors within certain prescribed zones or districts, nor shall the provisions of this Act be construed to prohibit the use of the power of the military or naval authorities to enforce the regulations of the President or Secretary of War or Navy issued in pursuance of law, prohibiting the manufacture, use, possession, sale, or other disposition of intoxicating liquors during the period of the war and demobilization thereafter.

TITLE II.

PROHIBITION OF INTOXICATING BEVERAGES.

SEC. 1. When used in Title II and Title III of this Act (1) The word "liquor" or the phrase "intoxicating liquor" shall be construed to include alcohol, brandy, whisky, rum, gin, beer, ale, porter, and wine, and in addition thereto any spirituous, vinous, malt, or fermented liquor, liquids, and compounds, whether medicated, proprietary, patented, or not, and by whatever name called, containing one-half of 1 per centum or more of alcohol by volume which are fit for use for beverage purposes: *Provided*, That the foregoing definition shall not extend to dealcoholized wine nor to any beverage or liquid produced by the process by which beer, ale, porter or wine is produced, if it contains less than one-half of 1 per centum of alcohol by volume, and is made as prescribed in section 37 of this title, and is otherwise denominated than as beer, ale, or porter, and is contained and sold in, or from, such sealed and labeled bottles, casks, or containers as the commissioner may by regulation prescribe.

(2) The word "person" shall mean and include natural persons, associations, copartnerships, and corporations.

(3) The word "commissioner" shall mean Commissioner of Internal Revenue.

(4) The term "application" shall mean a formal written request supported by a verified statement of facts showing that the commissioner may grant the request.

(5) The term "permit" shall mean a formal written authorization by the commissioner setting forth specifically therein the things that are authorized.

(6) The term "bond" shall mean an obligation authorized or required by or under this Act or any regulation, executed in such form and for such a penal sum as may be required by a court, the commissioner, or prescribed by regulation.

(7) The term "regulation" shall mean any regulation prescribed by the commissioner with the approval of the Secretary of the Treasury for carrying out the provisions of this Act, and the commissioner is authorized to make such regulations.

Any act authorized to be done by the commissioner may be performed by any assistant or agent designated by him for that purpose. Records required to be filed with the commissioner may be filed with an assistant commissioner or other person designated by the commissioner to receive such records.

SEC. 2. The Commissioner of Internal Revenue, his assistants, agents, and inspectors shall investigate and report violations of this Act to the United States attorney for the district in which committed, who is hereby charged with the duty of prosecuting the offenders, subject to the direction of the Attorney General, as in the case of other offenses against the laws of the United States; and such Commissioner of Internal Revenue, his assistants, agents, and inspectors may swear out warrants before United State commissioners or other officers or courts authorized to issue the same for the apprehension of such offenders, and may, subject to the control of the said United States attorney, conduct the prosecution at the committing trial for the purpose of having the offenders held for the action of a grand jury. Section 1014 of the Revised Statutes of the United States is hereby made applicable in the enforcement of this Act. Officers mentioned in said section 1014 are authorized to issue search warrants under the limitations provided in Title XI of the Act approved June 15, 1917 (Fortieth Statutes at Large, page 217, et seq.).

SEC. 3. No person shall on or after the date when the eighteenth amendment to the Constitution of the United States goes into effect, manufacture, sell, barter, transport, import, export, deliver, furnish or possess any intoxicating liquor except as authorized in this Act, and all the provisions of this Act shall be liberally construed to the end that the use of intoxicating liquor as a beverage may be prevented.

Liquor for nonbeverage purposes and wine for sacramental purposes may be manufactured, purchased, sold, bartered, transported, imported, exported, delivered, furnished and possessed, but only as herein provided, and the commissioner may, upon application, issue permits therefor: *Provided*, That nothing in this Act shall prohibit the purchase and sale of warehouse receipts covering distilled spirits on deposit in Government bonded warehouses, and no special tax liability shall attach to the business of purchasing and selling such warehouse receipts.

SEC. 4. The articles enumerated in this section shall not, after having been manufactured and prepared for the market, be subject to the provisions of this Act if they correspond with the following descriptions and limitations, namely:

- (a) Denatured alcohol or denatured rum produced and used as provided by laws and regulations now or hereafter in force.
- (b) Medicinal preparations manufactured in accordance with formulas prescribed by the United States Pharmacopœia, National Formulary or the American Institute of Homeopathy that are unfit for use for beverage purposes.
- (c) Patented, patent, and proprietary medicines that are unfit for use for beverage purposes.
- (d) Toilet, medicinal, and antiseptic preparations and solutions that are unfit for use for beverage purposes.
- (e) Flavoring extracts and sirups that are unfit for use as a beverage, or for intoxicating beverage purposes.
- (f) Vinegar and preserved sweet cider.

A person who manufactures any of the articles mentioned in this section may purchase and possess liquor for that purpose, but he shall secure permits to manufacture such articles and to purchase such liquor, give the bonds, keep the records, and make the reports specified in this Act and as directed by the commissioner. No such manufacturer shall sell, use, or dispose of any liquor otherwise than as an ingredient of the articles authorized to be manufactured therefrom. No more alcohol shall be used in the manufacture of any extract, sirup, or the articles named in paragraphs b, c, and d of this section which may be used for beverage purposes than the quantity necessary for extraction or solution of the elements contained therein and for the preservation of the article.

Any person who shall knowingly sell any of the articles mentioned in paragraphs a, b, c, and d of this section for beverage purposes, or any extract or sirup for intoxicating beverage purposes, or who shall sell any of the same under circumstances from which the seller might reasonably deduce the intention of the purchaser to use them for such purposes, or shall sell any beverage containing one-half of 1 per centum or more of alcohol by volume in which any extract, sirup, or other article is used as an ingredient, shall be subject to the penalties provided in section 29 of this Title. If the commissioner shall find, after notice and hearing as provided for in section 5 of this Title, that any person has sold any flavoring extract, sirup, or beverage in violation of this paragraph, he shall notify such person, and any known principal for whom the sale was made, to desist from selling such article; and it shall thereupon be unlawful for a period of one year thereafter for any person so

notified to sell any such extract, sirup, or beverage without making an application for, giving a bond, and obtaining a permit so to do, which permit may be issued upon such conditions as the commissioner may deem necessary to prevent such illegal sales, and in addition the commissioner shall require a record and report of sales.

SEC. 5. Whenever the commissioner has reason to believe that any article mentioned in section 4 does not correspond with the descriptions and limitations therein provided, he shall cause an analysis of said article to be made, and if, upon such analysis, the commissioner shall find that said article does not so correspond, he shall give not less than fifteen days' notice in writing to the person who is the manufacturer thereof to show cause why said article should not be dealt with as an intoxicating liquor, such notice to be served personally or by registered mail, as the commissioner may determine, and shall specify the time when, the place where, and the name of the agent or official before whom such person is required to appear.

If the manufacturer of said article fails to show to the satisfaction of the commissioner that the article corresponds to the descriptions and limitations provided in section 4 of this Title, his permit to manufacture and sell such article shall be revoked. The manufacturer may by appropriate proceeding in a court of equity have the action of the commissioner reviewed, and the court may affirm, modify, or reverse the finding of the commissioner as the facts and law of the case may warrant, and during the pendency of such proceedings may restrain the manufacture, sale, or other disposition of such article.

SEC. 6. No one shall manufacture, sell, purchase, transport, or prescribe any liquor without first obtaining a permit from the commissioner so to do, except that a person may, without a permit, purchase and use liquor for medicinal purposes when prescribed by a physician as herein provided, and except that any person who in the opinion of the commissioner is conducting a bona fide hospital or sanatorium engaged in the treatment of persons suffering from alcoholism, may, under such rules, regulations, and conditions as the commissioner shall prescribe, purchase and use, in accordance with the methods in use in such institution, liquor, to be administered to the patients of such institution under the direction of a duly qualified physician employed by such institution.

All permits to manufacture, prescribe, sell, or transport liquor, may be issued for one year, and shall expire on the 31st day of December next succeeding the issuance thereof: *Provided*, That the commissioner may without formal application or new bond extend any permit granted under this Act or laws now in force after August 31 in any year to December 31 of the succeeding year: *Provided further*, That permits to purchase liquor for the purpose of manufacturing or selling as provided in this Act shall not be in force to exceed ninety days from the day of issuance. A permit to purchase liquor for any other purpose shall not be in force to exceed thirty days. Permits to purchase liquor shall specify the quantity and kind to be purchased and the purpose for which it is to be used. No permit shall be issued to any person who within one year prior to the application therefor or issuance thereof shall have violated the terms of any permit issued under this Title or any law of the United States or of any State regulating traffic in liquor. No permit shall be issued to anyone to sell liquor at retail, unless the sale is to be made through a pharmacist designated in the permit and duly licensed under the laws of his State to compound and dispense medicine prescribed by a duly licensed physician. No one shall be given a permit to prescribe liquor unless he is a physician duly licensed to practice medicine and actively engaged in the practice of such profession. Every permit shall be in writing, dated when issued, and signed by the commissioner or his

authorized agent. It shall give the name and address of the person to whom it is issued and shall designate and limit the acts that are permitted and the time when and place where such acts may be performed. No permit shall be issued until a verified, written application shall have been made therefor, setting forth the qualification of the applicant and the purpose for which the liquor is to be used.

The commissioner may prescribe the form of all permits and applications and the facts to be set forth therein. Before any permit is granted the commissioner may require a bond in such form and amount as he may prescribe to insure compliance with the terms of the permit and the provisions of this title. In the event of the refusal by the commissioner of any application for a permit, the applicant may have a review of his decision before a court of equity in the manner provided in section 5 hereof.

Nothing in this title shall be held to apply to the manufacture, sale, transportation, importation, possession, or distribution of wine for sacramental purposes, or like religious rites, except section 6 (save as the same requires a permit to purchase) and section 10 hereof, and the provisions of this Act prescribing penalties for the violation of either of said sections. No person to whom a permit may be issued to manufacture, transport, import, or sell wines for sacramental purposes or like religious rites shall sell, barter, exchange, or furnish any such to any person not a rabbi, minister of the gospel, priest, or an officer duly authorized for the purpose by any church or congregation, nor to any such except upon an application duly subscribed by him, which application, authenticated as regulations may prescribe, shall be filed and preserved by the seller. The head of any conference or diocese or other ecclesiastical jurisdiction may designate any rabbi, minister, or priest to supervise the manufacture of wine to be used for the purposes and rites in this section mentioned, and the person so designated may, in the discretion of the commissioner, be granted a permit to supervise such manufacture.

Sec. 7. No one but a physician holding a permit to prescribe liquor shall issue any prescription for liquor. And no physician shall prescribe liquor unless after careful physical examination of the person for whose use such prescription is sought, or if such examination is found impracticable, then upon the best information obtainable, he in good faith believes that the use of such liquor as a medicine by such person is necessary and will afford relief to him from some known ailment. Not more than a pint of spirituous liquor to be taken internally shall be prescribed for use by the same person within any period of ten days and no prescription shall be filled more than once. Any pharmacist filling a prescription shall at the time indorse upon it over his own signature the word "canceled," together with the date when the liquor was delivered, and then make the same a part of the record that he is required to keep as herein provided.

Every physician who issues a prescription for liquor shall keep a record, alphabetically arranged in a book prescribed by the commissioner, which shall show the date of issue, amount prescribed, to whom issued, the purpose or ailment for which it is to be used and directions for use, stating the amount and frequency of the dose.

Sec. 8. The commissioner shall cause to be printed blanks for the prescriptions herein required, and he shall furnish the same, free of cost, to physicians holding permits to prescribe. The prescription blanks shall be printed in book form and shall be numbered consecutively from one to one hundred, and each book shall be given a number, and the stubs in each book shall carry the same numbers as and be copies of the prescriptions. The books containing such stubs shall be returned to the commissioner when the prescription blanks have been

used, or sooner, if directed by the commissioner. All unused, mutilated, or defaced blanks shall be returned with the book. No physician shall prescribe and no pharmacist shall fill any prescription for liquor except on blanks so provided, except in cases of emergency, in which event a record and report shall be made and kept as in other cases.

SEC. 9. If at any time there shall be filed with the commissioner a complaint under oath setting forth facts showing, or if the commissioner has reason to believe, that any person who has a permit is not in good faith conforming to the provisions of this Act, or has violated the laws of any State relating to intoxicating liquor, the commissioner or his agent shall immediately issue an order citing such person to appear before him on a day named not more than thirty and not less than fifteen days from the date of service upon such permittee of a copy of the citation, which citation shall be accompanied by a copy of such complaint, or in the event that the proceedings be initiated by the commissioner with a statement of the facts constituting the violation charged, at which time a hearing shall be had unless continued for cause. Such hearings shall be held within the judicial district and within fifty miles of the place where the offense is alleged to have occurred, unless the parties agree on another place. If it be found that such person has been guilty of willfully violating any such laws, as charged, or has not in good faith conformed to the provisions of this Act, such permit shall be revoked, and no permit shall be granted to such person within one year thereafter. Should the permit be revoked by the commission, the permittee may have a review of his decision before a court of equity in the manner provided in section 5 hereof. During the pendency of such action such permit shall be temporarily revoked.

SEC. 10. No person shall manufacture, purchase for sale, sell, or transport any liquor without making at the time a permanent record thereof showing in detail the amount and kind of liquor manufactured, purchased, sold, or transported, together with the names and addresses of the persons to whom sold, in case of sale, and the consignor and consignee in case of transportation, and the time and place of such manufacture, sale, or transportation. The commissioner may prescribe the form of such record, which shall at all times be open to inspection as in this Act provided.

SEC. 11. All manufacturers and wholesale or retail druggists shall keep as a part of the records required of them a copy of all permits to purchase on which a sale of any liquor is made, and no manufacturer or wholesale druggist shall sell or otherwise dispose of any liquor except at wholesale and only to persons having permits to purchase in such quantities.

SEC. 12. All persons manufacturing liquor for sale under the provisions of this title shall securely and permanently attach to every container thereof, as the same is manufactured, a label stating name of manufacturer, kind and quantity of liquor contained therein, and the date of its manufacture, together with the number of the permit authorizing the manufacture thereof; and all persons possessing such liquor in wholesale quantities shall securely keep and maintain such label thereon; and all persons selling at wholesale shall attach to every package of liquor, when sold, a label setting forth the kind and quantity of liquor contained therein, by whom manufactured, the date of sale, and the person to whom sold; which label shall likewise be kept and maintained thereon until the liquor is used for the purpose for which such sale was authorized.

SEC. 13. It shall be the duty of every carrier to make a record at the place of shipment of the receipt of any liquor transported, and he shall deliver liquor only to persons who present to the carrier a verified copy of a permit to pur-

chase which shall be made a part of the carrier's permanent record at the office from which delivery is made.

The agent of the common carrier is hereby authorized to administer the oath to the consignee in verification of the copy of the permit presented, who, if not personally known to the agent, shall be identified before the delivery of the liquor to him. The name and address of the person identifying the consignee shall be included in the record.

SEC. 14. It shall be unlawful for a person to use or induce any carrier, or any agent or employee thereof, to carry or ship any package or receptacle containing liquor without notifying the carrier of the true nature and character of the shipment. No carrier shall transport nor shall any person receive liquor from a carrier unless there appears on the outside of the package containing such liquor the following information:

Name and address of the consignor or seller, name and address of the consignee, kind and quantity of liquor contained therein, and number of the permit to purchase or ship the same, together with the name and address of the person using the permit.

SEC. 15. It shall be unlawful for any consignee to accept or receive any package containing any liquor upon which appears a statement known to him to be false, or for any carrier or other person to consign, ship, transport, or deliver any such package, knowing such statement to be false.

SEC. 16. It shall be unlawful to give to any carrier or any officer, agent, or person acting or assuming to act for such carrier an order requiring the delivery to any person of any liquor or package containing liquor consigned to, or purporting or claimed to be consigned to a person, when the purpose of the order is to enable any person not an actual bona fide consignee to obtain such liquor.

SEC. 17. It shall be unlawful to advertise anywhere, or by any means or method, liquor, or the manufacture, sale, keeping for sale or furnishing of the same, or where, how, from whom, or at what price the same may be obtained. No one shall permit any sign or billboard containing such advertisement to remain upon one's premises. But nothing herein shall prohibit manufacturers and wholesale druggists holding permits to sell liquor from furnishing price lists, with description of liquor for sale, to persons permitted to purchase liquor, or from advertising alcohol in business publications or trade journals circulating generally among manufacturers of lawful alcoholic perfumes, toilet preparations, flavoring extracts, medicinal preparations, and like articles: *Provided, however,* That nothing in this Act or in the Act making appropriations for the Post Office Department, approved March 3, 1917 (Thirty-ninth Statutes at Large, Part 1, page 1058, et seq.), shall apply to newspapers published in foreign countries when mailed to this country.

SEC. 18. It shall be unlawful to advertise, manufacture, sell, or possess for sale any utensil, contrivance, machine, preparation, compound, tablet, substance, formula direction, or recipe advertised, designed, or intended for use in the unlawful manufacture of intoxicating liquor.

SEC. 19. No person shall solicit or receive, nor knowingly permit his employee to solicit or receive, from any person any order for liquor or give any information of how liquor may be obtained in violation of this Act.

SEC. 20. Any person who shall be injured in person, property, means of support, or otherwise by any intoxicated person, or by reason of the intoxication of any person, whether resulting in his death or not, shall have a right of action against any person who shall, by unlawfully selling to or unlawfully assisting in procuring liquor for such intoxicated person, have caused or contributed

to such intoxication, and in any such action such person shall have a right to recover actual and exemplary damages. In case of the death of either party, the action or right of action given by this section shall survive to or against his or her executor or administrator, and the amount so recovered by either wife or child shall be his or her sole and separate property. Such action may be brought in any court of competent jurisdiction. In any case where parents shall be entitled to such damages, either the father or mother may sue alone therefor, but recovery by one of such parties shall be a bar to suit brought by the other.

SEC. 21. Any room, house, building, boat, vehicle, structure, or place where intoxicating liquor is manufactured, sold, kept, or bartered in violation of this title, and all intoxicating liquor and property kept and used in maintaining the same, is hereby declared to be a common nuisance, and any person who maintains such a common nuisance shall be guilty of a misdemeanor and upon conviction thereof shall be fined not more than \$1,000 or be imprisoned for not more than one year, or both. If a person has knowledge or reason to believe that his room, house, building, boat, vehicle, structure, or place is occupied or used for the manufacture or sale of liquor contrary to the provision of this title, and suffers the same to be so occupied or used, such room, house, building, boat, vehicle, structure, or place shall be subject to a lien for and may be sold to pay all fines and costs assessed against the person guilty of such nuisance for such violation, and any such lien may be enforced by action in any court having jurisdiction.

SEC. 22. An action to enjoin any nuisance defined in this title may be brought in the name of the United States by the Attorney General of the United States or by any United States attorney or any prosecuting attorney of any State or any subdivision thereof or by the commissioner or his deputies or assistants. Such action shall be brought and tried as an action in equity and may be brought in any court having jurisdiction to hear and determine equity cases. If it is made to appear by affidavits or otherwise, to the satisfaction of the court, or judge in vacation, that such nuisance exists, a temporary writ of injunction shall forthwith issue restraining the defendant from conducting or permitting the continuance of such nuisance until the conclusion of the trial. If a temporary injunction is prayed for, the court may issue an order restraining the defendant and all other persons from removing or in any way interfering with the liquor or fixtures, or other things used in connection with the violation of this Act constituting such nuisance. No bond shall be required in instituting such proceedings. It shall not be necessary for the court to find the property involved was being unlawfully used as aforesaid at the time of the hearing, but on finding that the material allegations of the petition are true, the court shall order that no liquors shall be manufactured, sold, bartered, or stored in such room, house, building, boat, vehicle, structure, or place, or any part thereof. And upon judgment of the court ordering such nuisance to be abated, the court may order that the room, house, building, structure, boat, vehicle, or place shall not be occupied or used for one year thereafter; but the court may, in its discretion, permit it to be occupied or used if the owner, lessee, tenant, or occupant thereof shall give bond with sufficient surety, to be approved by the court making the order, in the penal and liquidated sum of not less than \$500 nor more than \$1,000, payable to the United States, and conditioned that intoxicating liquor will not thereafter be manufactured, sold, bartered, kept, or otherwise disposed of therein or thereon, and that he will pay all fines, costs, and damages that may be assessed for any violation of this title upon said property.

SEC. 23. That any person who shall, with intent to effect a sale of liquor,

by himself, his employee, servant, or agent, for himself or any person, company or corporation, keep or carry around on his person, or in a vehicle, or other conveyance whatever, or leave in a place for another to secure, any liquor, or who shall travel to solicit, or solicit, or take, or accept orders for the sale, shipment, or delivery of liquors in violation of this title is guilty of a nuisance and may be restrained by injunction, temporary and permanent, from doing or continuing to do any of said acts or things.

In such proceedings it shall not be necessary to show any intention on the part of the accused to continue such violations if the action is brought within sixty days following any such violation of the law.

For removing and selling property in enforcing this Act the officer shall be entitled to charge and receive the same fee as the sheriff of the county would receive for levying upon and selling property under execution, and for closing the premises and keeping them closed a reasonable sum shall be allowed by the court.

Any violation of this title upon any leased premises by the lessee or occupant thereof shall, at the option of the lessor, work a forfeiture of the lease.

SEC. 24. In the case of the violation of any injunction, temporary or permanent, granted pursuant to the provisions of this title, the court, or in vacation a judge thereof, may summarily try and punish the defendant. The proceedings for punishment for contempt shall be commenced by filing with the clerk of the court from which such injunction issued information under oath setting out the alleged facts constituting the violation, whereupon the court or judge shall forthwith cause a warrant to issue under which the defendant shall be arrested. The trial may be had upon affidavits, or either party may demand the production and oral examination of the witnesses. Any person found guilty of contempt under the provisions of this section shall be punished by a fine of not less than \$500 nor more than \$1,000, or by imprisonment of not less than thirty days nor more than twelve months, or by both fine and imprisonment.

SEC. 25. It shall be unlawful to have or possess any liquor or property designed for the manufacture of liquor intended for use in violating this title or which has been so used, and no property rights shall exist in any such liquor or property. A search warrant may issue as provided in Title XI of public law numbered 24 of the Sixty-fifth Congress, approved June 15, 1917, and such liquor, the containers thereof, and such property so seized shall be subject to such disposition as the court may make thereof. If it is found that such liquor or property was so unlawfully held or possessed, or had been so unlawfully used, the liquor, and all property designed for the unlawful manufacture of liquor, shall be destroyed, unless the court shall otherwise order. No search warrant shall issue to search any private dwelling occupied as such unless it is being used for the unlawful sale of intoxicating liquor, or unless it is in part used for some business purpose such as a store, shop, saloon, restaurant, hotel, or boarding house. The term "private dwelling" shall be construed to include the room or rooms used and occupied not transiently but solely as a residence in an apartment house, hotel, or boarding house. The property seized on any such warrant shall not be taken from the officer seizing the same on any writ of replevin or other like process.

SEC. 26. When the commissioner, his assistant, inspectors, or any officer of the law shall discover any person in the act of transporting in violation of the law, intoxicating liquors in any wagon, buggy, automobile, water or air craft, or other vehicle, it shall be his duty to seize any and all intoxicating liquors found therein being transported contrary to law. Whenever intoxicating liquors transported or possessed illegally shall be

seized by an officer he shall take possession of the vehicle and team or automobile, boat, air or water craft, or any other conveyance, and shall arrest any person in charge thereof. Such officer shall at once proceed against the person arrested under the provisions of this title in any court having competent jurisdiction; but the said vehicle or conveyance shall be returned to the owner upon execution by him of a good and valid bond, with sufficient sureties, in a sum double the value of the property, which said bond shall be approved by said officer and shall be conditioned to return said property to the custody of said officer on the day of trial to abide the judgment of the court. The court upon conviction of the person so arrested shall order the liquor destroyed, and unless good cause to the contrary is shown by the owner, shall order a sale by public auction of the property seized, and the officer making the sale, after deducting the expenses of keeping the property, the fee for the seizure, and the cost of the sale, shall pay all liens, according to their priorities, which are established, by intervention or otherwise at said hearing or in other proceeding brought for said purpose, as being bona fide and as having been created without the lienor having any notice that the carrying vehicle was being used or was to be used for illegal transportation of liquor, and shall pay the balance of the proceeds into the Treasury of the United States as miscellaneous receipts. All liens against property sold under the provisions of this section shall be transferred from the property to the proceeds of the sale of the property. If, however, no one shall be found claiming the team, vehicle, water or air craft, or automobile, the taking of the same, with a description thereof, shall be advertised in some newspaper published in the city or county where taken or if there be no newspaper published in such city or county, in a newspaper having circulation in the county, once a week for two weeks, and by handbills posted in three public places near the place of seizure, and if no claimant shall appear within ten days after the last publication of the advertisement, the property shall be sold and the proceeds after deducting the expenses and costs shall be paid into the Treasury of the United States as miscellaneous receipts.

SEC. 27. In all cases in which intoxicating liquors may be subject to be destroyed under the provisions of this Act the court shall have jurisdiction upon the application of the United States attorney to order them delivered to any department or agency of the United States Government for medicinal, mechanical, or scientific uses, or to order the same sold at private sale for such purposes to any person having a permit to purchase liquor the proceeds to be covered into the Treasury of the United States to the credit of miscellaneous receipts, and all liquor heretofore seized in any suit or proceeding brought for violation of law may likewise be so disposed of, if not claimed within sixty days from the date this section takes effect.

SEC. 28. The commissioner, his assistants, agents, and inspectors, and all other officers of the United States, whose duty it is to enforce criminal laws, shall have all the power and protection in the enforcement of this Act or any provisions thereof which is conferred by law for the enforcement of existing laws relating to the manufacture or sale of intoxicating liquors under the law of the United States.

SEC. 29. Any person who manufactures or sells liquor in violation of this title shall for a first offense be fined not more than \$1,000, or imprisoned not exceeding six months, and for a second or subsequent offense shall be fined not less than \$200 nor more than \$2,000 and be imprisoned not less than one month nor more than five years.

Any person violating the provisions of any permit, or who makes any false record, report, or affidavit required by this title, or violates any of the provisions of this title, for which offense a special penalty is not prescribed, shall be fined for a first offense not more than \$500; for a second offense not less than \$100 nor more than \$1,000, or be imprisoned not more than ninety days; for any subsequent offense he shall be fined not less than \$500 and be imprisoned not less than three months nor more than two years. It shall be the duty of the prosecuting officer to ascertain whether the defendant has been previously convicted and to plead the prior conviction in the affidavit, information, or indictment. The penalties provided in this Act against the manufacture of liquor without a permit shall not apply to a person for manufacturing nonintoxicating cider and fruit juices exclusively for use in his home, but such cider and fruit juices shall not be sold or delivered except to persons having permits to manufacture vinegar.

SEC. 30. No person shall be excused, on the ground that it may tend to incriminate him or subject him to a penalty or forfeiture, from attending and testifying, or producing books, papers, documents, and other evidence in obedience to a subpoena of any court in any suit or proceeding based upon or growing out of any alleged violation of this Act; but no natural person shall be prosecuted or subjected to any penalty or forfeiture for or on account of any transaction, matter, or thing as to which, in obedience to a subpoena and under oath, he may so testify or produce evidence, but no person shall be exempt from prosecution and punishment for perjury committed in so testifying.

SEC. 31. In case of a sale of liquor where the delivery thereof was made by a common or other carrier the sale and delivery shall be deemed to be made in the county or district wherein the delivery was made by such carrier to the consignee, his agent or employee, or in the county or district wherein the sale was made, or from which the shipment was made, and prosecution for such sale or delivery may be had in any such county or district.

SEC. 32. In any affidavit, information, or indictment for the violation of this Act, separate offenses may be united in separate counts and the defendant may be tried on all at one trial and the penalty for all offenses may be imposed. It shall not be necessary in any affidavit, information, or indictment to give the name of the purchaser or to include any defensive negative averments, but it shall be sufficient to state that the act complained of was then and there prohibited and unlawful, but this provision shall not be construed to preclude the trial court from directing the furnishing the defendant a bill of particulars when it deems it proper to do so.

SEC. 33. After February 1, 1920, the possession of liquors by any person not legally permitted under this title to possess liquor shall be prima facie evidence that such liquor is kept for the purpose of being sold, bartered, exchanged, given away, furnished, or otherwise disposed of in violation of the provisions of this title. Every person legally permitted under this title to have liquor shall report to the commissioner within ten days after the date when the eighteenth amendment of the Constitution of the United States goes into effect, the kind and amount of intoxicating liquors in his possession. But it shall not be unlawful to possess liquors in one's private dwelling while the same is occupied and used by him as his dwelling only and such liquor need not be reported, provided such liquors are for use only for the personal consumption of the owner thereof and his family residing in such dwelling and of his bona fide guests when entertained by him therein; and the burden of proof shall be upon the possessor in any action concerning the same to prove that such liquor was lawfully acquired, possessed, and used.

SEC. 34. All records and reports kept or filed under the provisions of this Act shall be subject to inspection at any reasonable hour by the commissioner or any of his agents or by any public prosecutor or by any person designated by him, or by any peace officer in the State where the record is kept, and copies of such records and reports duly certified by the person with whom kept or filed may be introduced in evidence with like effect as the originals thereof, and verified copies of such records shall be furnished to the commissioner when called for.

SEC. 35. All provisions of law that are inconsistent with this Act are repealed only to the extent of such inconsistency and the regulations herein provided for the manufacture or traffic in intoxicating liquor shall be construed as in addition to existing laws. This Act shall not relieve anyone from paying any taxes or other charges imposed upon the manufacture or traffic in such liquor. No liquor revenue stamps or tax receipts for any illegal manufacture or sale shall be issued in advance, but upon evidence of such illegal manufacture or sale a tax shall be assessed against, and collected from, the person responsible for such illegal manufacture or sale in double the amount now provided by law, with an additional penalty of \$500 on retail dealers and \$1,000 on manufacturers. The payment of such tax or penalty shall give no right to engage in the manufacture or sale of such liquor, or relieve anyone from criminal liability, nor shall this Act relieve any person from any liability, civil or criminal, heretofore or hereafter incurred under existing laws.

The commissioner, with the approval of the Secretary of the Treasury, may compromise any civil cause arising under this title before bringing action in court; and with the approval of the Attorney General he may compromise any such cause after action thereon has been commenced.

SEC. 36. If any provision of this Act shall be held invalid it shall not be construed to invalidate other provisions of the Act.

SEC. 37. Nothing herein shall prevent the storage in United States bonded warehouses of all liquor manufactured prior to the taking effect of this Act, or prevent the transportation of such liquor to such warehouses or to any wholesale druggist for sale to such druggist for purposes not prohibited when the tax is paid, and permits may be issued therefor.

A manufacturer of any beverage containing less than one-half of 1 per centum of alcohol by volume may, on making application and giving such bond as the commissioner shall prescribe, be given a permit to develop in the manufacture thereof by the usual methods of fermentation and fortification or otherwise a liquid such as beer, ale, porter, or wine, containing more than one-half of 1 per centum of alcohol by volume, but before any such liquid is withdrawn from the factory or otherwise disposed of the alcoholic contents thereof shall under such rules and regulations as the commissioner may prescribe be reduced below such one-half of 1 per centum of alcohol: *Provided*, That such liquid may be removed and transported, under bond and under such regulations as the commissioner may prescribe, from one bonded plant or warehouse to another for the purpose of having the alcohol extracted therefrom. And such liquids may be developed, under permit, by persons other than the manufacturers of beverages containing less than one-half of 1 per centum of alcohol by volume, and sold to such manufacturers for conversion into such beverages. The alcohol removed from such liquid, if evaporated and not condensed and saved, shall not be subject to tax; if saved, it shall be subject to the same law as other alcoholic liquors. Credit shall be allowed on the tax due on any alcohol so saved to the amount of any tax paid upon distilled spirits or brandy used in the fortification of the liquor from which the same is saved.

When fortified wines are made and used for the production of nonbeverage alcohol, and dealcoholized wines containing less than one-half of 1 per centum of alcohol by volume, no tax shall be assessed or paid on the spirits used in such fortification, and such dealcoholized wines produced under the provisions of this Act, whether carbonated or not, shall not be subject to the tax on artificially carbonated or sparkling wines, but shall be subject to the tax on still wines only.

In any case where the manufacturer is charged with manufacturing or selling for beverage purposes any malt, vinous, or fermented liquids containing one-half of 1 per centum or more of alcohol by volume, or in any case where the manufacturer, having been permitted by the commissioner to develop a liquid such as ale, beer, porter, or wine containing more than one-half of 1 per centum of alcohol by volume in the manner and for the purpose herein provided, is charged with failure to reduce the alcoholic content of any such liquid below such one-half of 1 per centum before withdrawing the same from the factory, then in either such case the burden of proof shall be on such manufacturer to show that such liquid so manufactured, sold, or withdrawn contains less than one-half of 1 per centum of alcohol by volume. In any suit or proceeding involving the alcoholic content of any beverage, the reasonable expense of analysis of such beverage shall be taxed as costs in the case.

SEC. 38. The Commissioner of Internal Revenue and the Attorney General of the United States are hereby respectively authorized to appoint and employ such assistants, experts, clerks, and other employees in the District of Columbia or elsewhere, and to purchase such supplies and equipment as they may deem necessary for the enforcement of the provisions of this Act, but such assistants, experts, clerks, and other employees, except such executive officers as may be appointed by the Commissioner or the Attorney General to have immediate direction of the enforcement of the provisions of this Act, and persons authorized to issue permits, and agents and inspectors in the field service, shall be appointed under the rules and regulations prescribed by the Civil Service Act: *Provided*, That the Commissioner and Attorney General in making such appointments shall give preference to those who have served in the military or naval service in the recent war, if otherwise qualified, and there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sum as may be required for the enforcement of this Act including personal services in the District of Columbia, and for the fiscal year ending June 30, 1920, there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$2,000,000 for the use of the Commissioner of Internal Revenue and \$100,000 for the use of the Department of Justice for the enforcement of the provisions of this Act, including personal services in the District of Columbia and necessary printing and binding.

SEC. 39. In all cases wherein the property of any citizen is proceeded against or wherein a judgment affecting it might be rendered, and the citizen is not the one who in person violated the provisions of the law, summons must be issued in due form and served personally, if said person is to be found within the jurisdiction of the court.

TITLE III.

INDUSTRIAL ALCOHOL.

SEC. 1. When used in this title—

The term "alcohol" means that substance known as ethyl alcohol, hydrated oxide of ethyl, or spirit of wine, from whatever source or whatever processes produced.

The term "container" includes any receptacle, vessel, or form of package, tank, or conduit used or capable of use for holding, storing, transferring, or shipment of alcohol.

INDUSTRIAL ALCOHOL PLANTS AND WAREHOUSES.

SEC. 2. Any person now producing alcohol shall, within thirty days after the passage of this Act, make application to the commissioner for registration of his industrial alcohol plant, and as soon thereafter as practicable the premises shall be bonded and permit may issue for the operation of such plant, and any person hereafter establishing a plant for the production of alcohol shall likewise before operation make application, file bond, and receive permit.

SEC. 3. Warehouses for the storage and distribution of alcohol to be used exclusively for other than beverage purposes may be established upon filing of application and bond, and issuance of permit at such places, either in connection with the manufacturing plant or elsewhere, as the commissioner may determine; and the entry and storage of alcohol therein, and the withdrawals of alcohol therefrom shall be made in such containers and by such means as the commissioner by regulation may prescribe.

SEC. 4. Alcohol produced at any registered industrial alcohol plant or stored in any bonded warehouse may be transferred under regulations to any other registered industrial alcohol plant or bonded warehouse for any lawful purpose.

SEC. 5. Any tax imposed by law upon alcohol shall attach to such alcohol as soon as it is in existence as such, and all proprietors of industrial alcohol plants and bonded warehouses shall be jointly and severally liable for any and all taxes on any and all alcohol produced thereat or stored therein. Such taxes shall be a first lien on such alcohol and the premises and plant in which such alcohol is produced or stored, together with all improvements and appurtenances thereto belonging or in any wise appertaining.

SEC. 6. Any distilled spirits produced and fit for beverage purposes remaining in any bonded warehouse on or before the date when the eighteenth amendment of the Constitution of the United States goes into effect, may, under regulations, be withdrawn therefrom either for denaturation at any bonded denaturing plant or for deposit in a bonded warehouse established under this Act; and when so withdrawn, if not suitable as to proof, purity, or quality for other than beverage purposes, such distilled spirits shall be redistilled, purified, and changed in proof so as to render such spirits suitable for other purposes, and having been so treated may thereafter be denatured or sold in accordance with the provisions of this Act.

SEC. 7. Any distillery or bonded warehouse heretofore legally established may, upon filing application and bond and the granting of permit, be operated as an industrial alcohol plant or bonded warehouse under the provisions of this title and regulations made thereunder.

SEC. 8. Alcohol may be produced at any industrial alcohol plant established under the provisions of this title, from any raw materials or by any processes suitable for the production of alcohol, and, under regulations, may be used at any industrial alcohol plant or bonded warehouse or sold or disposed of for any lawful purpose, as in this Act provided.

SEC. 9. Industrial alcohol plants and bonded warehouses established under the provisions of this title shall be exempt from the provisions of sections 3154, 3244, 3258, 3259, 3260, 3263, 3264, 3266, 3267, 3268, 3269, 3271, 3273, 3274, 3275, 3279, 3280, 3283, 3284, 3285, 3286, 3287, 3288, 3289, 3290, 3291, 3292, 3293, 3294, 3295, 3302, 3303, 3307, 3308, 3309, 3310, 3311, 3312, 3313, 3314, and 3327 of the Revised Statutes; sections 48 to 60, inclusive, and sections 62 and 67 of the

Act of August 27, 1894 (Twenty-eighth Statutes, pages 563 to 568), and from such other provisions of existing laws relating to distilleries and bonded warehouses as may, by regulations, be declared inapplicable to industrial alcohol plants and bonded warehouses established under this Act.

Regulations may be made embodying any provision of the sections above enumerated.

TAX-FREE ALCOHOL.

SEC. 10. Upon the filing of application and bond and issuance of permit denaturing plants may be established upon the premises of any industrial alcohol plant, or elsewhere, and shall be used exclusively for the denaturation of alcohol by the admixture of such denaturing materials as shall render the alcohol, or any compound in which it is authorized to be used, unfit for use as an intoxicating beverage.

* Alcohol lawfully denatured may, under regulations, be sold free of tax either for domestic use or for export.

Nothing in this Act shall be construed to require manufacturers of distilled vinegar to raise the proof of any alcohol used in such manufacture or to denature the same.

SEC. 11. Alcohol produced at any industrial alcohol plant or stored in any bonded warehouse may, under regulations, be withdrawn tax free as provided by existing law from such plant or warehouse for transfer to any denaturing plant for denaturation, or may, under regulations, before or after denaturation, be removed from any such plant or warehouse for any lawful tax-free purpose.

Spirits of less proof than one hundred and sixty degrees may, under regulations, be deemed to be alcohol for the purpose of denaturation, under the provisions of this title.

Alcohol may be withdrawn, under regulations, from any industrial plant or bonded warehouse tax free by the United States or any governmental agency thereof, or by the several States and Territories or any municipal subdivision thereof or by the District of Columbia, or for the use of any scientific university or college of learning, any laboratory for use exclusively in scientific research, or for use in any hospital or sanatorium.

But any person permitted to obtain alcohol tax free, except the United States and the several States and Territories and subdivisions thereof, and the District of Columbia, shall first apply for and secure a permit to purchase the same and give the bonds prescribed under title II of this Act, but alcohol withdrawn for nonbeverage purposes for use of the United States and the several States, Territories and subdivisions thereof, and the District of Columbia may be purchased and withdrawn subject only to such regulations as may be prescribed.

GENERAL PROVISIONS.

SEC. 12. The penalties provided in this title shall be in addition to any penalties provided in title 2 of this Act, unless expressly otherwise therein provided.

SEC. 13. The commissioner shall from time to time issue regulations respecting the establishment, bonding, and operation of industrial alcohol plants, denaturing plants, and bonded warehouses authorized herein, and the distribution, sale, export, and use of alcohol which may be necessary, advisable, or proper, to secure the revenue, to prevent diversion of the alcohol to illegal

uses, and to place the nonbeverage alcohol industry and other industries using such alcohol as a chemical raw material or for other lawful purpose upon the highest possible plane of scientific and commercial efficiency consistent with the interests of the Government, and which shall insure an ample supply of such alcohol and promote its use in scientific research and the development of fuels, dyes, and other lawful products.

SEC. 14. Whenever any alcohol is lost by evaporation or other shrinkage, leakage, casualty, or unavoidable cause during distillation, redistillation, denaturation, withdrawal, piping, shipment, warehousing, storage packing, transfer, or recovery, of any such alcohol the commissioner may remit or refund any tax incurred under existing law upon such alcohol, provided he is satisfied that the alcohol has not been diverted to any illegal use: *Provided, also*, That such allowance shall not be granted if the person claiming same is indemnified against such loss by a valid claim of insurance.

SEC. 15. Whoever operates an industrial alcohol plant or a denaturing plant without complying with the provisions of this title and lawful regulations made thereunder, or whoever withdraws or attempts to withdraw or secure tax free any alcohol subject to tax, or whoever otherwise violates any of the provisions of this title or of regulations lawfully made thereunder shall be liable, for the first offense, to a penalty of not exceeding \$1,000, or imprisonment not exceeding thirty days, or both, and for a second or cognate offense to a penalty of not less than \$100 nor more than \$10,000, and to imprisonment of not less than thirty days nor more than one year. It shall be lawful for the commissioner in all cases of second or cognate offense to refuse to issue for a period of one year a permit for the manufacture or use of alcohol upon the premises of any person responsible in any degree for the violation.

SEC. 16. Any tax payable upon alcohol under existing law may be collected either by assessment or by stamp as regulations shall provide; and if by stamp, regulations shall issue prescribing the kind of stamp to be used and the manner of affixing and canceling the same.

SEC. 17. When any property is seized for violation of this title it may be released to the claimant or to any intervening party, in the discretion of the commissioner, on a bond given and approved.

SEC. 18. All administrative provisions of internal-revenue law, including those relating to assessment, collection, abatement, and refund of taxes and penalties, and the seizure and forfeiture of property, are made applicable to this title in so far as they are not inconsistent with the provisions thereof.

SEC. 19. All prior statutes relating to alcohol as defined in this title are hereby repealed in so far as they are inconsistent with the provisions of this title.

SEC. 20. That it shall be unlawful to import or introduce into the Canal Zone, or to manufacture, sell, give away, dispose of, transport, or have in one's possession or under one's control within the Canal Zone, any alcoholic, fermented, brewed, distilled, vinous, malt, or spirituous liquors, except for sacramental, scientific, pharmaceutical, industrial, or medicinal purposes, under regulations to be made by the President, and any such liquors within the Canal Zone in violation hereof shall be forfeited to the United States and seized: *Provided*, That this section shall not apply to liquor in transit through the Panama Canal or on the Panama Railroad.

That each and every violation of any of the provisions of this section shall be punished by a fine of not more than \$1,000 or imprisonment not exceeding six months for a first offense, and by a fine not less than \$200 nor more than \$2,000 and imprisonment not less than one month nor more than five years for a second or subsequent offense.

That all offenses heretofore committed within the Canal Zone may be prosecuted and all penalties therefor enforced in the same manner and to the same extent as if this Act had not been passed.

SEC. 21. Titles I and III and sections 1, 27, 37, and 38 of title II of this Act shall take effect and be in force from and after the passage and approval of the Act. The other sections of title II shall take effect and be in force from and after the date when the eighteenth amendment of the Constitution of the United States goes into effect.

F. H. GILLET, *Speaker of the House of Representatives.*
 THOMAS R. MARSHALL, *Vice President of the United States and*
 _____ *President of the Senate.*

IN THE HOUSE OF REPRESENTATIVES OF THE UNITED STATES,

October 27, 1919.

The President of the United States having returned to the House of Representatives, in which it originated, the bill (H. R. 6810) entitled "An Act to prohibit intoxicating beverages, and to regulate the manufacture, production, use, and sale of high-proof spirits for other than beverage purposes, and to insure an ample supply of alcohol and promote its use in scientific research and in the development of fuel, dye, and other lawful industries," with his objections thereto, the House proceeded in pursuance of the Constitution to reconsider the same; and

Resolved, That the said bill pass, two thirds of the House of Representatives agreeing to pass the same.

Attest:

WM. TYLER PAGE,

Clerk.

IN THE SENATE OF THE UNITED STATES,

Legislative Day, October 22, 1919, Calendar Day October 28, 1919.

The Senate having proceeded to reconsider the bill (H. R. 6810) "An Act to prohibit intoxicating beverages, and to regulate the manufacture, production, use, and sale of high-proof spirits for other than beverage purposes, and to insure an ample supply of alcohol and promote its use in scientific research and in the development of fuel, dye, and other lawful industries," returned by the President of the United States to the House of Representatives, in which it originated, with his objections, and passed by the House on a reconsideration of the same, it was

RESOLVED, That the said bill pass, two-thirds of the Senators present having voted in the affirmative.

Attest:

GEORGE A. SANDERSON,

Secretary.

3.40 p. m.

INSTRUCTIONS

These instructions and Regulations No. 60 should be carefully read in order that the physician may be fully informed of what acts he may or may not legally perform in prescribing intoxicating liquors under the National Prohibition Act.

No one is permitted to prescribe intoxicating liquor except a physician duly licensed to practice medicine and actively engaged in the practice of such profession, holding a permit, and only after a careful physical examination of the patient for whom the prescription is written, or if such examination is found impracticable, then upon the best information obtainable, he in good faith believes that the use of such liquor as a medicine by such person is necessary and will afford relief to him for known ailment.

INTOXICATING LIQUOR is construed by the act to include alcohol, brandy, whisky, rum, gin, beer, ale, porter, and wine, also in addition thereto any spirituous, vinous, malt, or fermented liquor, liquids, and compounds, whether medicated, proprietary, patented, or not, and by whatever name called, containing one-half of one per centum or more of alcohol by volume which are fit for beverage purposes. See Article 1, Regulations 60, for complete definition.

MEDICINAL PREPARATIONS are regarded as unfit for beverage purposes; they contain no more alcohol than is necessary for the purpose of extraction, solution, or preservation; and contain in each fluid ounce a dose as a whole or in compatible combination of one or more agents of recognized therapeutic value; and contain no agents either chemically or physiologically incompatible with the active medicinal agents upon which the medicinal claims are based.

PERMIT.—Application for permit to prescribe liquor must be made in triplicate on Form 1404 and sent to the Federal Prohibition Director for the State for issuance of a permit. Permits will be issued for the calendar year.

PRESCRIPTION BLANKS on Form 1403 will be furnished qualifying physicians when permit is issued and afterwards upon application to the Federal Prohibition Director. Such blanks with corresponding stubs, will be in books of 100 each. The books will be numbered serially and the blanks in each book will be numbered 1 to 100. The stubs will be similarly numbered. In all records, therefore, it will be necessary to refer to both numbers, as "Book No. 1, Blank No. 1." In writing a prescription the physician will carefully and legibly enter all the information called for on both the prescription blank and stub except the block in the left hand lower corner of the blank, which space is reserved for the use of the pharmacist who fills the prescription. Prescriptions must be written only on blanks furnished by the Federal Prohibition Director, except in cases of emergency, which will be later explained.

No prescription may be for more than one pint of spirituous liquor within any period of ten days to any one person and no prescription may be filled more than once. The prescribed prescription blank must not be used for medicated liquor which is unfit for beverage purposes. Physicians will be held to a strict accountability for all prescription blanks furnished them and will be required to forward to the Federal Prohibition Director all stubs of prescriptions as well as all unused, mutilated, defaced, or undelivered prescriptions when all the blanks in a book have been used or at such other time as the Federal Prohibition Director may direct.

EMERGENCY PRESCRIPTIONS may be issued by a duly registered physician and filled by a licensed pharmacist, but a record must be kept by each in the same manner as though an official blank were used. Should any question arise as to the proper issuance of such an emergency prescription, the burden of proof shall be upon the physician issuing the same. The term "emergency" is held to mean the saving of human life, the amelioration of great pain, or where delay would aggravate a serious ailment, but does not include lack of prescription blanks, absence from office, etc.

RECORD.—Every physician issuing prescriptions for liquor shall keep in this book a record of every such prescription issued, using two lines of the record for each prescription. For example: In the first column enter the serial numbers of the prescription book and on the second line the serial numbers of the prescription blank; in the second column the date prescription was issued; in the third column enter on the first line the name of the patient and on the second line the address of the patient; in the fourth column enter on the first line the kind of liquor prescribed and on the second the quantity; in the fifth column enter the ailment for which prescribed; and in the sixth column enter the directions for administration. The entries will then be as follows:

641	Jan. 18,	Adams, Abraham	Whisky	General	Wineglass
1	1920.	125 John St.	8 oz.	debility	after meals

This record must be kept written up to date and entries shall, so far as practicable, be written in English. Such record shall at all times be open to the inspection of the officers of the law. Copies of such records, duly certified, may be introduced as evidence in any prosecution with like effect as the originals.

PENALTIES.—Any person violating the provisions of any permit, or who makes any false record, report, or affidavit required by law, or violates any of the provisions of law shall be fined for the first offense not more than \$500, for the second offense not less than \$100 nor more than \$1,000 or be imprisoned not more than 90 days, and for any subsequent offense not less than \$500 and be imprisoned not more than two years. If a permittee is guilty of willfully violating the law or has not in good faith conformed to the provisions of the law permit will be revoked and will not be reissued to such person within one year thereafter. After a permit has been revoked by the Commissioner the permittee may have a review of the decision before a court of equity. During the pendency of such action such permit may be temporarily revoked.

Instructions in front of Form 1402 (book). Reduced from 5½ x 9½ inches.

Book No. 47297 Blank No. 71
 PRESCRIPTION STUB—NATIONAL PROHIBITION ACT

For _____, 192
 (Date)

(Give full name of patient)

(His street and No.)

(City)

(State)

(Aliment for which prescribed)

(Kind and quantity of liquor prescribed)

(Directions for administration)

Signed _____, M. D.

(Sign full name)

(Street and No.)

(City)

(State)

Permit No. _____

62-9473

The information called for above must be duly and legibly written. See instructions in Record Book

Book No. 47297

TREASURY DEPARTMENT
 U. S. INTERNAL REVENUE
 FORM NO. 1403

Blank No. 71

PRESCRIPTION BLANK—NATIONAL PROHIBITION ACT

For _____, 192
 (Date)

(Give full name of patient)

(His street and No.)

(City)

(State)

R_x

FOR USE OF PHARMACIST ONLY

Canceled _____

(Date delivered)

(Name as on permit)

(Street and No.)

(City)

(State)

Permit No. _____

62-9473

THIS PRESCRIPTION MUST NOT BE REFILLED

See Regulations for
 penalties imposed

Form 1403, reduced from 9½ x 3½ inches. Made up in books of 100 forms each, each Book serially numbered and forms in each book serially numbered from 1 to 100.

THIS STUB MUST BE LEGIBLE

TREASURY DEPARTMENT.
U. S. INTERNAL REVENUE.
Form No. 1404.

SERIAL No. OF PERMIT _____

(To be filled in by Director.)

APPLICATION FOR PERMIT
UNDER THE NATIONAL PROHIBITION ACT.

(INSTRUCTIONS ON REVERSE SIDE.)

FEDERAL PROHIBITION COMMISSIONER,
WASHINGTON, D. C.

_____, 192

The undersigned, *

of _____, engaged in the business
or profession of _____, hereby makes application
for a permit to _____

It is hereby certified that the undersigned has not within one year prior to the date hereof violated the terms of any permit issued under the National Prohibition Act or any law of the United States or of any State regulating traffic in liquor, and will observe the terms of any permit issued pursuant to this application and the provisions of all laws and regulations relative to the acts for which permit is issued.

Subscribed and sworn to before me this _____

_____ day of _____, 192

(Name and title of officer.)

RECOMMENDED FOR _____

(Approval or disapproval.)

Federal Prohibition Director.

at _____

* Full name of applicant. If a copartnership, the firm name must be given, followed by the names of all the members. If a corporation, the corporate name and the State under the laws of which organized should be stated, together with the address of the principal office.

Address of the place of business for which permit is desired.
Signature of applicant. If a copartnership the firm name must be written, followed by the signature of a partner authorized to sign for the partnership. If a corporation, the corporate name thereof must be written, followed by the signature and title of an officer duly authorized to sign for the corporation and the impression of the corporate seal, if any.

1-1404

Page 1 of Form 1404. Form made up in triplicate. Reduced from 8 x 10 1/2 inches.

INSTRUCTIONS

The application must be executed in triplicate, the original being under oath, and should be forwarded to the Federal Prohibition Director for the State in which the applicant is located. Bond must be filed at or before time of filing application in cases where required by the regulations issued by the Federal Prohibition Commissioner. (See Article III, Regulations 60.)

This form should be used in making application for any of the permits indicated below and must state the nature of the permit or permits desired, the kind of intoxicating liquor to be covered thereby, and must contain the information required in Regulations 60 applicable to the particular permit or permits applied for. The applicant is charged with a knowledge of the provisions of all regulations covering the manufacture of or traffic in intoxicating liquor and should carefully read the same before filling out this form.

1. Permits to manufacture: Distilled Spirits other than ethyl alcohol—See Article IV, Regulations 60; Wines—See Articles IV and VI, Regulations 60; Beer by Breweries—See Article VI, Regulations 60.
2. Permits to operate dealcoholizing plants for the manufacture of dealcoholized wine and other beverages containing less than one-half of one per cent of alcohol by volume—See Article VI, Regulations 60.
3. Permits to manufacture cider and other intoxicating liquors for conversion into vinegar—See Article V, Regulations 60.
4. Permits to sell: In wholesale quantities—See Article IX, Regulations 60; in retail quantities—See Article XII, Regulations 60.
5. Permits to rectify liquor—See Article X, Regulations 60.
6. Permits to use liquor in the manufacture of alcoholic medicinal preparations and other alcohol compounds—See Article XI, Regulations 60. (*Where it is desired to use liquor in the manufacture of preparations not U. S. P., N. F. or A. I. H., supplemental Form 1404 must be executed and appended hereto. Where applicant uses supplemental Form 1404 he must state on Form 1404 that such supplemental form is attached and becomes a part of Form 1404. This does not apply to the medication of alcohol according to prescribed formulae.*)
7. Permits to use liquor for all other authorized purposes—See Articles XI and XIII, Regulations 60.
8. Permits to prescribe—See Article XIII, Regulations 60.
9. Permits to export or import liquor other than ethyl alcohol—See Article XIV, Regulations 60.
10. Permits to transport—See Article XVI, Regulations 60.
11. Permits to sell flavoring extracts or sirups, or beverages containing less than one-half of one per centum of alcohol by volume in which such extracts or sirups are used as ingredients, in cases where required by the Commissioner—See Article XVII, Regulations 60.
12. Permits authorizing procurement by consumers of Jamaica ginger in quantities exceeding two ounces or procurement of medicated alcohol in quantities of more than one pint—See Article XVII, Regulations 60.

Any application for permit which is not executed in accordance with the above instructions or which does not contain all the information called for by regulations will be returned to the applicant without approval.

Page 2 of Form 1404. Reduced from 8 x 10½ inches.

The following is a list of the preparations not listed in the United States Pharmacopeia, National Formulary, nor the American Institute of Homeopathy in the manufacture of which it is desired to use

[illegible]

(Signature)

NOTE.—Affidavit or affidavits on reverse side must be executed.
Instructions on reverse side.

Page 1 of Form 1404 (Supplement). Form made up in triplicate. Reduced from 8 x 10 1/2 inches.

The medicinal compounds enumerated herein contain no more alcohol than is necessary for the purpose of extraction, solution, or preservation; that they contain in each fluid ounce a dose as a whole or in compatible combination of one or more agents of recognized therapeutic value; that they contain no agents chemically or physiologically incompatible with the active medicinal agents upon which the medicinal claims are based, that they are unfit for use as beverages, and are not to be sold or used as beverages.

Sworn to and subscribed before me this

_____ day of _____, 192

By _____
(Name of person making oath.)

(Capacity in which employed.)

The extracts, perfumes, or other alcoholic preparations enumerated herein contain only sufficient alcohol to hold them in solution and are bona-fide preparations which are unfit for use as beverages and are not to be sold or used as beverages.

Sworn to and subscribed before me this

_____ day of _____, 192

By _____
(Name of person making oath.)

(Capacity in which employed.)

* One or both of the above affidavits should be filled in, the first in case of medicinal preparations for internal use and the second in case of other preparations for internal or external use. The person signing same must have personal knowledge that the facts stated are correct and must state the capacity in which he is employed by the applicant, such as chemist, etc.

INSTRUCTIONS FOR ENTERING DATA ON REVERSE SIDE.

Under the heading "Name of preparations" give the name of each preparation manufactured, except U. S. P., N. F., or A. I. H. preparations, which should be stated on Form 1404.

Under the heading "For whom manufactured" state whether or not the preparation is manufactured for applicant's own business. If for his own business without other qualifying statement it will be assumed that the product is to be marketed to the consumer unchanged. If manufactured for others, state for whom. If used or sold for the purpose of preparing other products, either in the applicant's own business or for others, so state. If flavoring extracts, flavoring sirups, concentrates, etc., so state.

The instructions appearing on Form 1404 relative to signature of applicant also apply to this form.

1-401

Page 2 of Form 1404 (Supplement). Reduced from 8 x 10½ inches.

INVENTORY AND REPORT OF INTOXICATING LIQUOR IN POSSESSION JANUARY 17, 1920.
NATIONAL PROHIBITION ACT.

To _____,
(Name) (Street) (Number) (City or town) (State)

Read carefully the information and instructions on the back of this form.

THIS SPACE TO BE USED FOR DISTILLED SPIRITS ONLY.

[illegible]

NOTE.—If more space is required, additional sheets should be ruled for the purpose to conform to this page.

ENTER WINES, CORDIALS, AND BEER ON PAGE 2.

Page 1 of Form 1406. Reduced from 10½ x 16 inches.

INVENTORY AND REPORT OF INTOXICATING LIQUOR IN POSSESSION JANUARY 17, 1920.

THIS SPACE TO BE USED ONLY FOR WINES, CORDIALS, OR SIMILAR COMPOUNDS.

[illegible]

NOTE.—If more space is needed, additional sheets should be ruled for the purpose to conform to this page.

THIS SPACE TO BE USED FOR FERMENTED LIQUORS, SUCH AS BEER, ALE, PORTER, ETC., CONTAINING ONE HALF OF ONE PER CENT OR MORE OF ALCOHOL BY VOLUME.

[illegible]

INFORMATION AND INSTRUCTIONS TO OWNERS OF LIQUOR.

1. The National Prohibition Act requires that every person legally permitted under the act to have liquor shall report to the Commissioner within ten days after the date when the Eighteenth Amendment to the Constitution of the United States goes into effect the kinds and amount of intoxicating liquors in his possession.

2. Liquor, or intoxicating liquor, is defined in the National Prohibition Act to include alcohol, brandy, whiskey, rum, gin, beer, ale, porter, and wine, and in addition thereto any spirituous, vinous, malt, or fermented liquor, liquids, and compounds, whether medicated, proprietary, patented, or not, and by whatever name called, containing one-half of 1 per cent or more of alcohol by volume, which are fit for use for beverage purposes.

3. This inventory and report of liquor must be made in duplicate, one copy to be forwarded to the Collector of Internal Revenue, and one copy to be retained by the party making the report.

4. Entry must be made in this report of all liquors, as defined in paragraph No. 2 hereinabove, on your premises at the address stated in this form, and also all liquors not on the premises herein stated, but which are held by you and stored elsewhere (except as provided in paragraphs Nos. 5, 6, 7, 8, and 9 hereinbelow), or which are consigned to you and in transit on the 17th day of January, 1920. The name and address of the consignor should be stated in the column headed "Remarks."

5. This inventory and report of liquor need not be made by the owner of liquor possessed in his private dwelling while the same is occupied and used by him as his dwelling only, provided such liquors are for use only for the personal consumption of the owner thereof and his family residing in such dwelling, and of his bona fide guests when entertained by him therein.

6. The term "private dwelling" is construed in the National Prohibition Act to include the room or rooms used and occupied, not transiently, but solely as a residence in an apartment house, hotel, or boarding house.

7. Distilled spirits in distillery bonded warehouses, general bonded warehouses, and special bonded warehouses need not be inventoried and reported.

8. Wines held at bonded wineries and in bonded storerooms are not required to be reported.

9. Liquors in customs bonded warehouses are not required to be reported.

10. The following articles should not be declared in this inventory and report (Section 4, Title II, National Prohibition Act):

(a) Denatured alcohol and denatured rum manufactured in accordance with the law and regulations.

(b) Medicinal preparations manufactured in accordance with formulas prescribed by the United States Pharmacopœia, National Formulary, or the American Institute of Homeopathy that are unfit for use for beverage purposes.

(c) Patented, patent, and proprietary medicines that are unfit for use for beverage purposes.

(d) Toilet, medicinal, and antiseptic preparations and solutions that are unfit for use for beverage purposes.

(e) Flavoring extracts and sirups that are unfit for use as a beverage or for intoxicating beverage purposes.

(f) Vinegar and preserved sweet cider.

11. Any liquor required to be reported and which is not included in this inventory and report is subject to seizure.

12. Heavy penalties are prescribed for failure to make a report or for making a false report required by the National Prohibition Act.

13. Carriers are not required to make this inventory and report of liquors in their possession in the capacity of carriers.

14. Parties who receive blank copies of this report, and who have no liquors in their possession, should note that fact thereon, and return the form to the Collector of Internal Revenue.

2-9419

To

Commissioner.

TREASURY DEPARTMENT
U. S. INTERNAL REVENUE
FORM 1407

REPORT OF SEIZURE AND DESTRUCTION OF STILLS AND DISTILLING APPARATUS

INSTRUCTIONS

This report must be made and signed by the officer who seized and destroyed the property, and at least one credible witness, and sworn to before the collector or a deputy collector, or before some other officer duly authorized to administer oaths.

If any of the blank spaces are not sufficient for a full description, a paper marked Exhibit "A," "B," etc., containing the required information, should be attached, and reference made thereto in the proper line. The officer who sends this will not be required to make a separate report of the seizure of the property on Form 117, which latter form is used for reporting seizure of property other than distilling apparatus.

To.....

1. Date of seizure and destruction.....

2. Reasons for destruction.....

3. Description of property destroyed.....

4. Name and post-office address of owner or claimant.....

5. Location of property.....

6. Number of gallons per day the apparatus was capable of producing.....

7. Grounds of the claim of forfeiture of the property, giving act and section violated. (State facts fully.)

8. Estimated fair cash value of the apparatus before destruction.....

9. Estimated fair cash value of old materials remaining after destruction.....

7-509

Page 1 of Form 1407. Reduced from 8 x 10½ inches.

10. If arrests were made, give names and disposition

.....

11. Other information

.....

12. Casualties, killed or injured

.....

13. Names and addresses of witnesses

.....

We,
do each severally swear that the within is a true report of the seizure and destruction of a distilling apparatus,
and that from facts within our knowledge we have no doubt whatever that said distilling apparatus was (1) set
up for use and not registered, and (2)* had been used in the unlawful distillation of spirits and (3) that it was
impracticable to remove the same to a place of safe storage.

Sworn to and subscribed before me this

..... day of, 1920.

.....
(Name of Officer administering oath.)

.....
(Title of Officer administering oath.)

.....
(Name of Officer.)

.....
(Title of Officer.)

.....
(Name of Witness.)

.....
(Address of Witness.)

Office of the

.....
(Collector, Director, etc.)

at

....., 192

The Officer who signed the above report of the seizure and destruction of the property described therein
was acting under my direction.

.....
(Collector, Director, Agent, etc.)

*If both causes numbered 1 and 2 do not exist, the one not existing should, of course, be stricken out.

8-909

Page 2 of Form 1407. Reduced from 8 x 10½ inches.

TREASURY DEPARTMENT,
U. S. INTERNAL REVENUE,
PROHIBITION ENFORCEMENT,
FORM 1408.

Permit No. _____

BOND

SECURING COMPLIANCE WITH THE PROVISIONS OF THE NATIONAL PROHIBITION ACT
AND REGULATIONS ISSUED PURSUANT THERETO, AND PERMIT ISSUED THEREUNDER

KNOW ALL MEN BY THESE PRESENTS, that _____

_____ of _____, as principal,

and _____

of _____, as surety,

are held and firmly bound unto the United States of America in the sum of _____

_____ dollars, lawful money of the United States, for the payment whereof to the United States we bind ourselves, our heirs, executors, administrators, successors, or assigns, jointly and severally, firmly by these presents.

WHEREAS, the above bounden principal has made application for the issuance of a permit under the National Prohibition Act and regulations issued thereunder, and whereas, it is intended by this instrument to also insure compliance with Internal Revenue Laws and regulations issued thereunder.

NOW, THEREFORE, the condition of this obligation is such that if there be no material false statement in the application for such permit, and the said principal shall not violate the terms of such permit issued to him by the Commissioner of Internal Revenue, or any person authorized by him to issue permits, on such application or shall not violate any of the provisions of the National Prohibition Act and regulations promulgated thereunder as now or hereafter provided, and all other laws of the United States now or hereafter enacted respecting distilled spirits, fermented liquors, wines, or other intoxicating liquors, and will pay all taxes, assessments, fines, and penalties incurred or imposed upon him by law, then this obligation to be void, otherwise to remain in full force and effect.

WITNESS our hands and seals this _____ day of _____, A. D. 192

Signed, sealed, and delivered in the
presence of—

_____ [SEAL]

_____ [SEAL]

_____ [SEAL]

_____ [SEAL]

Approved:

Director.

Acting Commissioner.

INSTRUMENTATION.

The applicant, before or at the time of obtaining a permit, be required to furnish a bond to duplicate. If it is desired to deposit Government bond as collateral in lieu of security, use Form No. —

If the Federal Prohibition Enforcement Officer finds the bond sufficient in all respects, he will approve the same by his indorsement thereon and file one copy, bearing any documentary stamp or stamps that may be necessary under the law existing at the time of execution, in his office and forward the other copy, with indorsement as to documentary stamps affixed to the retained copy, if necessary, to the Commissioner of Internal Revenue.

This bond will remain in force for four years from date of approval, provided the penal sum remain sufficient and the sureties remain solvent, but a new bond may be required at any time at the discretion of the Commissioner or the Federal Prohibition Enforcement Officer.

PRINCIPAL OR PRINCIPLES—The full names of individual principals and sureties, and the residence of each, must be written in the beginning of the bond. In the case of a copartnership, in addition to the foregoing, the trade name or style of firm must be given. In the case of a corporate principal or surety, the State under the laws of which it is organized and the location of the principal office or place of business must be set forth in the bond.

Signature.—The full names of individuals written in ink, and signed as in the heading of the bond, must be signed on the state bond. In case of the coownership, the firm name should be signed preceding the names of the members. Any member authorized may sign the firm name, but no member can sign the individual name for any of the others. In case of a corporation, the corporate name should be written followed by the name and title of the officer duly authorized by the by laws or by resolutions adopted at some meeting of the directors of the company.

SEALS - A seal must be attached to each signature, other than that of a corporation, which must be attested by the corporate seal.

Witnesses.—The signature of each principal or surety, other than that of a corporation, must be made in the presence of two witnesses, who must sign their full name as such. Witnesses are not required for the attestation of officers signing bonds in behalf of corporations, either as principal or surety; the corporate seal of each such corporation which is required to be impressed on the bond being in itself sufficient identification of the officer signing.

SECRETARIES—There must be at least two secretaries, unless a corporation duly authorized in writing by the Secretary of the Treasury is offered as a sole surety. The authority of the Secretary of the Treasury must be shown by affidavits made on Form 13. A letter from the Secretary of the Treasury is required in the event of the death or disability of either of the secretaries.

ALTERATIONS AND ERASURES—Bonds in which alterations and erasures occur must have placed upon them the statement by a duly authorized official of the surety company, or of the personal indenter, that the bond was signed, issued, and sealed in accordance with the law, and that the original copy of the bond is in the possession of the surety company, as provided by T. R. 1000.

FORM 1402.

UNITED STATES INTERNAL REVENUE.

BOND.

HOLDERS OF PERMITS UNDER NATIONAL PROHIBITION ACT.

**Treasury Department,
INTERNAL REVENUE BUREAU.**

192

Respectfully referred to the Section of Surety Bonds, office of Secretary of the Treasury, for certification as to the authority of the officers of the surety company to sign the bond on its behalf, and return to this Bureau.

Deputy Commissioner.

**Treasury Department,
OFFICE OF THE SECRETARY,
SECTION OF SURETY BONDS.**

199

I hereby certify that the company executing this bond was lawfully authorized so to do, and is a solvent and sufficient surety; that the records of this Department show that the persons who executed said bond on behalf of the surety company had authority so to do; that the company is duly licensed to do business in the State where the bond was executed; and that process agents have been duly appointed by said company as required by law.

Law and Bond Clerk.

PROBATION UNIT, DIVISION OF TECHNOLOGY.

TREASURY DEPARTMENT
U. S. INTERNAL REVENUE
FORM 1409

Serial No. of Permit _____

FORM OF BOND
COLLATERAL BOND OF APPLICANT FOR PERMIT UNDER THE NATIONAL PROHIBITION ACT

KNOW ALL MEN BY THESE PRESENTS, that I, _____
of _____ am held and firmly bound unto the United States of America in the sum of _____ dollars (\$ _____) lawful money of the United States, for the payment whereof I bind myself, my heirs, executors, administrators, successors, or assigns, firmly by these presents.

WHEREAS, the above-bounden principal has made application for the issuance of a permit under the National Prohibition Act and regulations issued thereunder, and whereas, it is intended by this instrument to also insure compliance with Internal Revenue Laws and regulations issued thereunder, hereby pledges as security for any obligation arising hereunder bonds of the United States in the

sum of _____ dollars (\$ _____), which bonds are numbered serially and are in the amounts and otherwise described as follows:

_____ which bonds have this day been deposited with the Federal Prohibition Director for the State of _____ and his receipt taken therefor,

Now, THEREFORE, the condition of this obligation is such that if there be no material false statement in the application for permit, and the said principal shall not violate the terms of such permit issued to him by the Commissioner of Internal Revenue, or any person authorized by him to issue permits, on such application or shall not violate any of the provisions of the National Prohibition Act and regulations promulgated thereunder as now or hereafter provided, and all other laws of the United States now or hereafter enacted respecting distilled spirits, fermented liquors, wines, or other intoxicating liquors, and will pay all taxes, interest, assessments, fines and penalties incurred or imposed upon him by law, then this obligation to be void, otherwise to remain in full force and effect. The said principal expressly agrees that the said bonds so deposited may be sold at public or private sale, with or without notice of said sale and without notice of any character to the principal, and the proceeds applied to the payment of any internal-revenue taxes, interest, fines, and penalties which may be due, and in satisfaction of any liabilities incurred hereunder and the expenses of such sale, if any; and the residue, if any, paid to the said principal.

WITNESS my hand and seal this _____ day of _____, 19____

_____(SEAL.)

Signed, sealed, and delivered in the presence of—

_____(SEAL.)

DIRECTOR'S CERTIFICATE AND APPROVAL

THIS IS TO CERTIFY that I have received from the above-bounden principal the identical securities described in the above bond, for which I have issued the required receipt and deposited said securities with _____ in accordance with the regulations relating thereto.

This bond is therefore approved by me this _____ day of _____, 19____

2-2012

Federal Prohibition Director.

Form 1409

UNITED STATES INTERNAL REVENUE

COLLATERAL BOND OF APPLICANT

FOR PERMIT UNDER THE

NATIONAL PROHIBITION ACT

State of.....

Of.....

(Name of Principal)

Dated.....

19.....

Penalty.....

Approved this

19.....

Commissioner.

PROHIBITION

Page 2 of Form 1409. Reduced from 8 x 10½ inches. Printing on two of the three folds.

INSTRUCTIONS

This form will be used where the person giving the bond prefers to deposit collateral security rather than submit a bond with personal or corporate sureties, and will be presented in duplicate.

The bonds presented in lieu of sureties must be United States Government bonds and must be particularly described in the body of the bond, giving par value, serial number, whether or not they are what are known as coupon bonds, etc.

The collateral bonds must be delivered to the Federal Prohibition Director, who will give the principal a receipt in the following form:

Received of..... of.....
on....., 19....., as security for obligations arising under bond Form 1409, executed to the United States on....., 19....., in the sum of \$....., covering the collateral bond of applicant for permit under the National Prohibition Act, which securities are to be returned to the above-mentioned obligor upon the satisfaction of the terms of the bond.

Federal Prohibition Director.

The same rules governing the preparation, signing, issuance, etc., of bonds in general apply to this bond.

INSTRUCTIONS

PROCUREMENT OF PERMITS TO PURCHASE.—Any person entitled to procure intoxicating liquor in accordance with the provisions of these regulations must, in order to obtain such liquor, secure permits to purchase from the Director, and no person is authorized to furnish or deliver intoxicating liquor except upon receipt of permit to purchase, unless otherwise specifically provided in the regulations.

Application for permit to purchase must be made hereon, which when approved by the Director becomes a permit.

INSTRUCTIONS FOR MAKING APPLICATION.—The applicant must describe the intoxicating liquor to be received by him with as much particularity as possible. He must give in all cases the quantity in wine gallons of each kind of intoxicating liquor (a) on hand on the date of application, (b) previously received by him during the current calendar year. Each application must also show the name and address covered thereby.

The applicant must assure himself that the quantity of intoxicating liquor outstanding as a debt against his bond, together with the additional quantity applied for, is not in the aggregate greater than the quantity covered by the penal sum of the bond.

If the applicant is unable to describe the intoxicating liquor by the serial number of the package, the proof gallons and taxable gallons, he may leave those spaces blank and the vendor will fill in the necessary data in spaces provided.

The full name of applicant must be signed to the application. Where the applicant is a partnership the firm name must be written, followed by the signature of a member authorized to sign for the firm. Where the applicant is a corporation the corporate name should be written, followed by the signature of an officer who is duly authorized to sign for the corporation. All applications must be sworn to before an officer authorized to administer oaths, and unless so sworn to the Federal Prohibition Director will decline to approve the same. No application will be approved unless it contains all the information called for, except that as above provided intoxicating liquor applied for need not be fully described until the vendor receives the permit.

Application for permit to purchase will be made in triplicate, except that when transportation is involved one or two additional copies should be made for delivery to the carrier or carriers at the point of destination as required by Article XVI, Regulations No. 60. The original and all copies will be forwarded to the Director.

Permits to purchase intoxicating liquor for the purpose of manufacture or selling expire ninety days after date of approval. Permits to purchase for other purposes expire in thirty days.

After approval, the Director will immediately send the original and all copies to the vendor who is to furnish the intoxicating liquor. The vendor will fill in the appropriate blank spaces which have not already been filled in by the applicant, particularly the spaces provided for serial numbers of packages or stamps affixed thereto, and will note on the original and all copies the date of shipment or delivery of intoxicating liquor in wine and proof gallons of each kind of intoxicating liquors shipped or delivered. He will then return the original to the Director not later than the day succeeding the date of shipment or delivery. One copy will be retained in the files of the vendor as his authority for making the shipment or delivery, the remaining copy or copies to be forwarded by him to the applicant.

The applicant must file one copy at his place of business, and where transportation is involved, will present the remaining copy or copies to the carrier or carriers at the point of destination as provided in Article XVI, Regulations No. 60. Copy of permit to purchase covering each shipment or delivery must be chronologically filed both by the vendor and applicant. If desired, several applications may be forwarded to the Director for approval in advance. All the information called for by this form must be filled in before forwarding, except that the name of the vendor need not be stated.

After approval, the Director will return all copies to the applicant who may send all such permits to any person authorized under these regulations to furnish intoxicating liquors, specifying on each permit the name of the vendor. In sending any permits to purchase to such person, the permittee should forward all copies thereof required under these regulations. The vendor will then proceed as above provided with respect to other permits to purchase forwarded to him by the Director.

TO PROCURE DELIVERY TO CONSIGNEE.—Before a carrier is permitted to make delivery to a consignee at point of delivery the consignee must submit to the carrier or carriers verified copy or copies of this permit, as provided in Article XVI, Regulations No. 60. Such verification may be made before any officer authorized to administer oaths or may be made before the carrier or his agent who is specifically authorized under the law to administer such oath. If the consignee is not personally known to the carrier or his agent, such consignee must be identified by a creditable person who shall sign the application and give his address.

1-2411

INSTRUCTIONS

PROCUREMENT OF PERMITS TO PURCHASE.—Any person entitled to procure intoxicating liquor in accordance with the provisions of these regulations must, in order to obtain such liquor, secure permits to purchase from the Director, and no person is authorized to furnish or deliver intoxicating liquor except upon receipt of permit to purchase, unless otherwise specifically provided in the regulations.

Application for permit to purchase must be made hereon, which when approved by the Director becomes a permit.

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The applicant must assure himself that the quantity of intoxicating liquor outstanding as a debit against his bond, together with the additional quantity applied for, is not in the aggregate greater than the quantity covered by the penal sum of the bond.

If the applicant is unable to describe the intoxicating liquor by the serial number of the package, the proof gallons and taxable gallons, he may leave those spaces blank and the vendor will fill in the necessary data in spaces provided.

The full name of applicant must be signed to the application. Where the applicant is a partnership the firm name must be written, followed by the signature of a member authorized to sign for the firm. Where the applicant is a corporation the corporate name should be written, followed by the signature of an officer who is duly authorized to sign for the corporation. All applications must be sworn to before an officer authorized to administer oaths, and unless so sworn to the Federal Prohibition Director will decline to approve the same. No application will be approved unless it contains all the information called for, except that as above provided intoxicating liquor applied for need not be fully described until the vendor receives the permit.

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After approval, the Director will immediately send the original and all copies to the vendor who is to furnish the intoxicating liquor. The vendor will fill in the appropriate blank spaces which have not already been filled in by the applicant, particularly the spaces provided for serial numbers of packages or stamps affixed thereto, and will note on the original and all copies the date of shipment or delivery of intoxicating liquor in wine and proof gallons of each kind of intoxicating liquors shipped or delivered. He will then return the original to the Director not later than the day succeeding the date of shipment or delivery. One copy will be retained in the files of the vendor as his authority for making the shipment or delivery, the remaining copy or copies to be forwarded by him to the applicant.

The applicant must file one copy at his place of business, and where transportation is involved, will present the remaining copy or copies to the carrier or carriers at the point of destination as provided in Article XVI, Regulations No. 60. Copy of permit to purchase covering each shipment or delivery must be chronologically filed both by the vendor and applicant. If desired, several applications may be forwarded to the Director for approval in advance. All the information called for by this form must be filled in before forwarding, except that the name of the vendor need not be stated.

After approval, the Director will return all copies to the applicant who may send all such permits to any person authorized under these regulations to furnish intoxicating liquors, specifying on each permit the name of the vendor. In sending any permits to purchase to such person, the permittee should forward all copies thereof required under these regulations. The vendor will then proceed as above provided with respect to other permits to purchase forwarded to him by the Director.

TO PROCURE DELIVERY TO CONSIGNEE.—Before a carrier is permitted to make delivery to a consignee at point of delivery the consignee must submit to the carrier or carriers verified copy or copies of this permit, as provided in Article XVI, Regulations No. 60. Such verification may be made before any officer authorized to administer oaths or may be made before the carrier or his agent who is specifically authorized under the law to administer such oath. If the consignee is not personally known to the carrier or his agent, such consignee must be identified by a creditable person who shall sign the application and give his address.

Name Permit No.
(Enter surname first.)

Address (Street and No.) (City.) (State.)

Bond, \$.....,
(Penal sum) (Form No.) (Date.)

Acts authorized under permit dated _____, 192

TREASURY DEPT. INT. REV.—PROHIBITION—FORM 1411.

2-9503

Form 1411. No reduction.

TREASURY DEPARTMENT
U. S. INTERNAL REVENUE
Form 1412

APPLICATION TO PROCURE WINE FOR SACRAMENTAL PURPOSES AND LIKE RELIGIOUS RITES

Quantity of wine procured since	
January 1, 192	gallons.
Quantity applied for herein	"
TOTAL	"
Quantity on hand date of applica-	
tion	

....., 192

....., (Name in full) (Official designation)

of (Name of church or congregation) located at (Street address)

..... (City) (State) hereby makes application to procure

from (Name of dealer) (Street address)

..... (City) (State) to be delivered to the above address

gallons of (Kind) wine for sacramental purposes or like religious rites, to be

used solely as follows:

.....

.....

.....

The quantity above specified is necessary to supply legitimate needs for the purposes stated until

....., 192

..... (Signature of applicant.)

Subscribed and sworn to before me this day of , 192

APPROVED:

.....
(Signature of director, or, where the church or congregation has a
ecclesiastical form of organization, signature of head of ecclesiastical
jurisdiction or official designated by him.)

2-5422

Form 1412. Reduced from 8 x 10½ inches.

TREASURY DEPARTMENT,
U. S. INTERNAL REVENUE,
FORM 1413.

RECORD OF TRANSACTIONS AT DEALCOHOLIZING PLANT

Operated by _____, _____ (Address)

Holding Permit No. _____ For the month of _____, 192

DATE	ACCOUNT OF MATERIALS				ACCOUNT OF LIQUIDS CONTAINING 1% OF 1% OR MORE OF ALCOHOL BY VOLUME. (Continued on pages 2 and 3.)	
	(*)		(*)		(*)	
	Received.	Used.	Received.	Used.	Produced.	Used.
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
TOTAL						

* State kind.

ACCOUNT OF LIQUIDS CONTAINING ONE-HALF OF 1 PER CENT OR MORE
OF ALCOHOL BY VOLUME—Continued.

PAGE 3.

SHIPPED DURING MONTH.

(State kind.)

Date.	Quantity.	Per cent alcohol.	Serial Nos. of packages.	Premises to which shipped *	Int. Rev Dist. in which located.
TOTAL.....		X X X X	X X X X X	X X X X X	X X X X

ACCOUNT OF BEVERAGES CONTAINING LESS THAN ONE-HALF OF 1 PER CENT
OF ALCOHOL BY VOLUME

(State kind.)

(State kind.)						
Date.	Quantity produced.	Quantity shipped	Premises to which shipped.	Quantity received	Premises from which received.	Quantity taxpaid and removed.
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
TOTAL			X X X X X		X X X X X	

—

* State whether dealcoholizing plant, distillery, or industrial alcohol plant, and give number assigned to same.

Page 4

SUMMARY.

	Materials.		Liquids containing 1/2 of 1% or more of alcohol by volume.	Beverages containing less than 1/2 of 1% of alcohol by volume.
	(*)	(*)	(*)	(*)
On hand first of month.....				
Produced.....	x x x x x	x x x x x		
Received.....				
TOTAL.....				
Shipped.....				
Used.....				x x x x x
Tax paid and removed.....	x x x x x	x x x x x	x x x x x	
On hand last of month.....				
TOTAL.....				

* State kind.

STAMP ACCOUNT (Wine Stamps).

Amount on hand first of month.....	\$.....	
Amount received during month.....		
TOTAL.....		
Amount used during month.....		
Amount on hand last of month.....		
TOTAL.....		

(Signature of proprietor)

INSTRUCTIONS.

This record must be made in quadruplicate, two copies of which should be forwarded to the Collector of Internal Revenue and one copy forwarded to the Director before the 10th of each month showing the transactions during the preceding month, and the remaining copy kept on file at the dealcoholizing plant.

All beverages manufactured under authority of Regulations 60, Article VI, should be tax paid in the regular manner. Section 628, Revenue Act of 1918, imposes a tax upon the manufacturer of cereal beverages of 15 per cent of the price for which sold, which tax should be paid to the Collector of Internal Revenue (see Regulations 52.) Dealcoholized wines are subject to tax at the rate of 16 cents per wine gallon under Section 611, Revenue Act of 1918, whether carbonated or not. This tax must be paid by affixing wine stamps to containers on removal from the premises where produced, which stamps must be procured from the Collector of Internal Revenue. The regulations relative to the tax payment of wines are applicable to such dealcoholized wines.

For more complete instructions see Regulations 60, Article VI.

2-4233

Page 4 of Form 1413. Reduced from 8 x 10 1/2 inches.

TREASURY DEPARTMENT,
U. S. INTERNAL REVENUE,
Form 1414.

RECORD OF BEVERAGES CONTAINING LESS THAN ONE-HALF OF ONE PER CENT OF ALCOHOL BY VOLUME

Produced at _____ No. _____
(Distillery or industrial alcohol plant)

Operated by _____ Holding Permit No. _____

Collection district of _____ For the month of _____, 192 -

(State kind.)

Date.	Quantity produced.	Quantity shipped.	Premises to which shipped.	Quantity received.	Premises from which received.	Quantity-tax paid and removed.
1.						
2.						
3.						
4.						
5.						
6.						
7.						
8.						
9.						
10.						
11.						
12.						
13.						
14.						
15.						
16.						
17.						
18.						
19.						
20.						
21.						
22.						
23.						
24.						
25.						
26.						
27.						
28.						
29.						
30.						
31.						
Total.			XXX		XXX	

1-5271

SUMMARY		STAMP ACCOUNT (WINE STAMPS)	
On hand first of month		Amount on hand first of month	\$
Produced		Amount received during month	
Received		Total	
Total		Amount used during month	
Shipped		Amount on hand last of month	
Tax paid and removed		Total	
On hand last of month			
TOTAL			

(Signature of proprietor.)

INSTRUCTIONS

This record must be made in quadruplicate, two copies of which should be forwarded to the Collector of Internal Revenue and one copy forwarded to the Director, before the 10th of each month, showing the transactions during the preceding month, and the remaining copy kept on file.

All beverages manufactured under authority of Regulations 60, Article VI, should be tax paid in the regular manner. Section 628, Revenue Act of 1918, imposes a tax upon the manufacturer of cereal beverages of 15 per cent of the price for which sold, which tax should be paid to the Collector of Internal Revenue. (See Regulations 52.) Dealccoholized wines are subject to tax at the rate of 16 cents per wine gallon under Section 611, Revenue Act of 1918, whether carbonated or not. This tax must be paid by affixing wine stamps to containers on removal from the premises where produced, which stamps must be procured from the Collector of Internal Revenue. The regulations relative to the tax payment of wines are also applicable to such dealccoholized wines.

For more complete instructions see Regulations 60, Article VI.

9-2041

Page 2 of Form 1414. Reduced from 8 x 10½ inches.

TREASURY DEPARTMENT,
U. S. INTERNAL REVENUE.
Form 1415.

APPLICATION TO REMOVE WINE VINEGAR FROM BONDED WINERIES WITHOUT PAYMENT OF TAX.

..... 19.....

....., operating Bonded Winery
(Name in full.)

No., located at
(Street address.)

....., requests
(City.) (State.)

permission to remove therefrom, tax free, gallons of
wine vinegar, and agrees that such product will not be sold or used
as wine.

Signed statement of the chemical analysis of such material,
showing the same to contain one and one-half per cent or more of
acetic acid, is attached hereto.

.....
(Signature of applicant.)

Permit requested above is hereby granted.

.....
(Signature of collector.)

..... Dist.

NOTE.—This form should be executed in duplicate. One copy is to be filed
by the collector and the other copy by the permittee with the respective copies
of Form 702 retained by them.

Form 1415. No reduction.

FOR THE THREE MONTHS, ENDING....., 192

Form 1416. Reduced from 8½ x 14 inches. (A continuation sheet, with same box headings and columns is provided for this form.)

TREASURY DEPARTMENT,
UNITED STATES INTERNAL REVENUE,
Form 1417.

THIS FORM TO BE USED BY HOMEOPATHIC AND ECLECTIC
PHYSICIANS IN CONNECTION WITH BLANKET
PERMIT TO PURCHASE.

_____, 192

To _____
(Name of vendor.)

(Address.)

The undersigned, a duly licensed physician of the

(Homeopathic or Eclectic.)

school, being the holder of Permit No. _____,
authorizing the use of alcohol and homeopathic potencies,
attenuations, and dilutions, and of blanket permit to

purchase No. _____, a verified copy
of which is filed with you, hereby orders the following:

(Kind and quantity of liquor.)

To be transported via.

(Name of carrier.)

(Signature of physician.)

(Address.)

For instructions see Art. _____

Reg. _____

Form 1417. No reduction.



